

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD FEBRUARY 18, 2014**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California, on February 18, 2014. Meeting was called to order at 5:05 p.m. by Board President Ryan Jacobsen.

DIRECTORS PRESENT

President Ryan Jacobsen
Vice President Steven Balls
Jeff Neely (arrived at 5:08 p.m.)
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

Landowner Michelle Granicy

REVIEW AGENDA

No changes.

REVIEW OF FUTURE MEETINGS

No changes.

PUBLIC PRESENTATIONS

No presentations.

POTENTIAL CONFLICTS OF INTEREST

(Any Board Member who has a potential conflict of interest may now identify the item and re cuse themselves from discussing and voting on the matter.) [FPPC §87105]

None stated.

CONSENT CALENDAR

- a. **Approval of Special Board Meeting Minutes – January 14, 2014**
- b. **January 2014 Check Register**
- c. **January 2014 Payroll Registers**

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- d. **January 2014 Unpaid Assessment Report**
- e. **January 2014 Investment Account**

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

CONTROLLER’S REPORT

Controller DeAnn Hailey reviewed the following financial reports:

- a. **Engagement Letter for the 2013 Audit**

Ms. Hailey noted that the auditors mailed out a revised engagement letter that contained two additional paragraphs concerning auditing standards.

The auditors are expected to be onsite during the week of February 24. The Accounting Staff has been preparing for the audit.

- b. **Approval of Overnight Stay for the Controller and HR Director to Attend the 2014 Keenan Summit in Oakland, CA in March 2014**

Ms. Hailey requested the Controller and HR Director be authorized for an overnight stay to attend a summit that covers health care reform and workers’ compensation information. There is no cost to attend the summit, only the overnight stay and meals.

M/S/C/(Porter/Balls) That the Board of Directors approved the Controller and HR Director attending the 2014 Summit by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Neely; Nays – 0; Absent – 0; Abstain – 0)

WATER REPORT

- a. **Current Water Conditions Report**

Watermaster Jim Irwin reported on the current and projected water supply information. As of February 17, Pine Flat release was 100 cfs with storage at 183,234 acre-feet. The pre-project for the Kings River is at 330 cfs with FID’s entitlement of 94 cfs. Precipitation is at 31.8% of normal. Temperatures are expected to rise into the mid 70s by the weekend with a chance of three storms coming through the next two weeks.

The Kings River Water Association (KRWA) held a meeting to coordinate the Lower River runs. KRWA asked the members of the association that will be running water this year to schedule their runs for the end of July or the first part of August in an effort to reduce the water used to initialize the canals.

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b. Discussion of Annex Areas Water Supply

During dry conditions, FID tries to provide 1,000 – 1,200 acre-feet of water to the Annex Areas of the District. Currently, Staff does not believe there will be any water allocated to Friant Contractors; therefore, there will not be any water to exchange for the Annex Areas. Mr. Serrato requested the Board provide direction for Staff to explore finding water, possibly with the Bureau of Reclamation. Director Neely suggested using some of the banked water. Mr. Serrato recommends that Staff develop a letter to be sent to the growers informing them that there is no water at this time and what the possible cost of water could be if Staff was able to locate any for sale. The Board directed Staff to write the letter and to explore options for securing water and report back at the next board meeting on any developments.

c. Banking Arrangement with the Bureau of Reclamation

Mr. Serrato informed the Board that the Bureau of Reclamation approached the District to participate in a banking program of San Joaquin River Restoration water and to return the water throughout the 2014-15 water years to meet the Health and Safety needs of local small disadvantaged communities who have contracts with the Bureau for Friant water supplies. 2014 is quickly becoming the driest year on record and Friant will not be allocated any water this year. Directors Jacobsen and Neely met with the general manager to review the request and gave direction to proceed with FID's participation in the program. Mr. Serrato stated that he had discussed the program with FID's legal counsel Gary Sawyers. Mr. Serrato informed the Board that he has presented the program to the Executive Committee of the Kings River Water Association and has received the approval of the State Water Resources Control Board. Director Beberian felt there should have been a special board meeting to discuss the exchange. Staff explained the program was a banking / return of water by exchange and not a sale of water; therefore, District's legal counsel advised Staff that a special board meeting was not required. Director Beberian then asked for Staff to review the details of the exchange.

Director Porter would like the sale of reclaim water to be on the next agenda.

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

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

Mr. Stretch provided a PowerPoint slides presentation that accompanied his report.

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

Developer Projects – the project on the Jefferson Canal at Barstow and Leonard avenues will be completed within the next few days. Staff will run water in the Jefferson Canal for leak testing purposes. Mr. Stretch displayed a photo of a new design of a trashrack that was installed that the District has started to use.

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Agency Projects – two projects along Herndon Avenue on the Bullard Canal and the Radin-Kamp Canal by the City of Fresno have been completed. Crews have already run stormwater through the canals.

City of Fresno Improvements – the installation of sewer and water mains crossing FID canals near Marks and Nielsen avenues have been put on hold as FID routes water in these canals.

Sebastian/Kertel – will install fiber optic utilities that will impact several of the District's canals. Borings under the canals have taken place on the Maupin and Enterprise systems and will soon move over to the Gould.

California High Speed Rail Update (CHSR)

Staff continues to meet with CHSR authority representatives approximately every two weeks. Staff's main concern at this time is the CHSR's design for the Herndon Canal. Several design options are being discussed by the staff of both agencies.

b. Landowner Initiated Projects Update for 2013-14

Staff has completed a draft of the stricter criteria for Policy No. 108. Mr. Stretch will bring it before the Directors within the next few months.

There are no pending projects.

c. FID Projects Update for 2013-14

- **Waldron Recovery Well #104: Equipping** – PG&E has installed the poles – it will be another week or more before power is established.

Capital Improvement Projects

- **The Waldron Lambrecht Banking Facility – Cell #4** - a new interior levee to eliminate seepage is being constructed on the south levee; completion is expected in three weeks;
- **Fairview Canal** - the next phase of the pipeline replacement project is proceeding slowly; driveways, county roads, landowner improvements, and unexpected/abandon utilities need to be dealt with; and
- **Pursell Pond Expansion**– the Washington North Branch canal is being realigned and replaced with 30-inch PVC pipe at S/W Jefferson and Cedar avenues. Crews have completed the pipe installation and are working on backfilling it.

d. General Maintenance Update for 2013-14

- Crews modified the trash rack on the North Central Canal;
- Crews performed sloping work on the Gray Colony Canal at S/W Princeton and McCall, cleaned seepage drain on the Gould, scraping (dipping) on the Briggs and Big Sandridge, grading on the Big Sandridge, brushing on the Central;

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- Repair crews are taking care of gate, liner, vent, and pipeline relocation and repairs;
- Heavy equipment operators are taking care of some dredging and grading work;
- FID hired a company to video inspect for root intrusion in three areas throughout the District – the City of Fresno is also performing an inspection at a fourth location;
- Crews cleaned up a homeless camp on the Mill Canal at Peach and McKinley;
- Liner repair along the Silvia Canal at Shaw & Grantland was performed by our crews – the new liner should last from ten to fifteen years; and
- Slides of the completed earthwork that was performed on the Thompson Canal were shown.

e. Approval of Overnight Stay for Engineer Adam Claes to Attend the USCID Conference in Sacramento, CA in March 2014. Action Request 2014-01

Mr. Stretch recommends sending Staff Engineer Adam Claes to the USCID event in Sacramento for three nights and four days during the first week of March. Mr. Stretch has attended this conference in the past and found it to be very beneficial. The cost of the conference, hotel, and incidentals will be approximately \$1,300.

M/S/C/(Porter/Balls) That the Board of Directors approved sending Adam Claes to the USCID event in Sacramento for three nights and four days with monies to come from the General Fund by unanimous vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Neely; Nays – 0; Absent – 0; Abstain – 0)

Break

A short break was taken from 6:27 – 6:48 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. District Office Plan

Phase C of the office project continues. Mr. Kimura offered slides to supplement his report. The concrete work, columns for the file/training building, electrical work, sprinkler system installation, asphalt, canopy, and sign wall portion of the project are finishing up. The landscaping part of the project is underway. The light poles for the parking lot are on back order and are expected sometime during mid to late March.

b. Aquatic Pesticides

Staff has been working to develop an Aquatic Pesticide Application Plan (APAP) for use of aquatic pesticides and to obtain a State Implementation Policy (SIP) exception to use copper and acrolein to control aquatic vegetation. The State has approved the APAP; however, the SIP exception is still under review.

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c. Equipment

The old compressor sold at auction for \$550 – FID netted \$450.

MANAGER'S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Staff continues to track conditions and to determine the best recommendation to present to the Board on the start and length of the water season. Staff will keep the Board up-to-date as information becomes available.

State Water Rights Fees

During KRWA's most recent meeting, legal counsel Gary Sawyers reminded the Directors that the State Water Resources Control Board (SWRCB) water rights fees were deemed to be illegal by the court in the way they were applied but the fees are legal to collect. The SWRCB continues to collect the fees even during the appeals process. KRWA does not use the services of the SWRCB very often and feels they are being over-charged.

Groundwater Discussion Panel

Mr. Serrato was invited to attend a panel discussion with the SWRCB, Department of Food and Agriculture, and the Department of Water Resources. Unfortunately, due to Mr. Serrato's schedule, he was not able to attend. The panel discussion centered on the regulation of groundwater and the ongoing drought impacts of groundwater pumping.

Mandatory Application of SBx 7-7

Legislation is being proposed, and is anticipated to be introduced within the next couple of months, to make SBx 7-7 mandatory. SBx 7-7 will require the measurement of FID turnout gates and the monitoring of groundwater extraction. The legislature has opened up this issue for public comments.

The District is a partner in the SB 1938 compliant Groundwater Management Plan, along with several other area agencies. The District is within approximately 20,000 acre-feet of balancing its groundwater.

FRIANT WATER AUTHORITY

The Bureau of Reclamation announced that this year the Exchange Contractors will receive 40% of their allocation. The Bureau of Reclamation is required to provide the Exchange Contractors 75% of their contracted supply in dry years; however, there is not enough water in storage this year for the Bureau to provide the 75%. The lack of water north of the Delta will require the Bureau to call on all of Friant water to meet the demands of the Exchange Contractors.

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The Exchange Contractors have filed a “Violation of Senior Rights” with the State Water Resources Control Board. They believe their rights come before the obligation of the river restoration. It is expected this will go before a full hearing.

OTHER

Growers Meetings

Mr. Serrato announced there will be a growers meeting held in Kerman on March 25 at the Community Center and a growers meeting in Easton on March 27 at the Net Grill. Mr. Serrato will update the growers on this year’s outlook. There will also be a representative from the Kings River Water Quality Coalition to discuss the ag-waiver discharge legislation and sign-ups will be taken to join the coalition.

Panel Discussion – State Water Bond

Mr. Serrato will be participating in a panel discussion on Thursday, February 20 at the Fresno City College Campus. Assembly Member Henry T. Perea is spearheading the program. Mr. Serrato will talk on underground storage, the need for additional storage, and the Integrated Regional Water Management Plan.

Water Quality Coalition Article

Mr. Dave Orth from the Kings River Conservation District wrote an informative article for the Fresno County Farm Bureau newsletter on the Kings River Water Quality Coalition.

ADMINISTRATIVE MATTERS

- a. **SDRMA Longevity Distribution Credit for 2014-2015 Renewal Contribution**

Ms. Singh reported the District received a credit of \$2,579 which will appear against June’s statement. This is a way for SDRMA to show its appreciation to their loyal customers.

- b. **Approval for Overnight Stay for the HR Director and Safety Manager to Attend the SDRMA Safety Claims Day in Sacramento, CA in March 2014**

This is an annual March event presented by SDRMA. Ms. Singh requested approval for the HR Director and the Safety Manager to attend the Safety Education Days. There is no cost to participate in the conference, only the overnight stay and incidentals.

M/S/C/(Porter/Balls) That the Board of Directors approved the HR Director and Safety Manager for an overnight stay to attend the Safety Claims Day by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Neely; Nays – 0; Absent – 0; Abstain – 0)

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c. Claims Incentive Credit Program From SDRMA for Board of Directors

By taking advantage of the SDRMA Credit Incentive Program, the District could save between \$1,500 and \$4,000 towards its workers compensation premiums. Ms. Singh presented a list of eligible seminars to the Directors. In order to receive the maximum allowable incentive points, two Directors will each need to take one eligible seminar.

d. Request for Adoption of Resolution 2014-02 (Acceptance of the City of Fresno Into the Friant Water Authority)

The City of Fresno has requested to join as a general member the Friant Water Authority. A resolution needs to be approved to allow said agreement to be amended.

M/S/C/(Balls/Porter) That the Board of Directors approved Resolution 2014-02 to allow the City of Fresno to become a general member of the Friant Water Authority by the following roll call vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Neely; Nays – 0; Absent – 0; Abstain – 0)

DIRECTORS' REPORT

Director Beberian – requested an update on the real estate transaction with the City of Clovis at the next meeting. Director Beberian asked for clarification on the location of the Easton event and also asked if the news media would be notified. Mr. Serrato reported that the Waterways newsletter which is sent to landowners with five acres and above will have an announcement on the growers' meetings dates and locations. Also, Mr. Irwin makes telephone calls informing the area landowners of the upcoming meetings.

Director Balls – reported that he listened to one webinar earlier in February that covered the proper protocols when directors speak directly to Staff – this can sometimes lead to confusion on the part of the staff as to whose directions to follow. Director Balls will attend another webinar tomorrow dealing with potential risk to districts and board members.

Director Jacobsen – thanked Mr. Stretch, Mr. Serrato, and Mr. Kimura for staying late and speaking to the group of young farmers and ranchers.

Director Porter – would like a Waldron Advisory Committee meeting to be held in the near future. Staff said they are in the process of putting one together and will let him know the time and date.

CLOSED SESSION

There was no Closed Session held.

Natural Resource Defense Council vs. Rodgers (Government Code Section 54956.9). To confer with counsel on pending litigation.

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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

President Jacobsen adjourned the meeting at 7:52 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board