

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD DECEMBER 16, 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 December 16, 2014. The meeting was called to order at 5:06 p.m. by Board President Ryan Jacobsen.

DIRECTORS PRESENT

President Ryan Jacobsen
Vice President Steven Balls
George Porter
Gregory Beberian
Jerry Prieto, Jr.

DIRECTORS ABSENT

None

STAFF PRESENT

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

OTHERS PRESENT

Sun World Representative Clifton Lollar

SWEARING IN OF APPOINTED DIRECTORS – JACOBSEN, PORTER, AND PRIETO, JR.

Mr. Serrato, Secretary to the Board of Directors, swore in incumbent Directors Ryan Jacobsen, George Porter, and Jerry Prieto. The Directors were appointed by the Fresno County Board of Supervisors after running un-opposed in the 2014 November election.

REVIEW AGENDA

Mr. Serrato stated there were no changes to the current agenda.

REVIEW OF FUTURE MEETINGS

There are no changes to the calendar.

PUBLIC PRESENTATIONS

None presented.

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.

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CONSENT CALENDAR

- a. **Approval of Regular Meeting Minutes – November 18, 2014**
- b. **November 2014 Check Register**
- c. **November 2014 Payroll Registers**
- d. **November 2014 Unpaid Assessment Report**
- e. **November 2014 Investment Account**

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

CONTROLLER’S REPORT

Controller DeAnn Hailey reported on the following:

- a. **November 2014 Fund Statements**
- b. **November 2014 Notes to the Fund Statements**
- c. **November 2014 Treasurer’s Reports**
- d. **November 2014 Deposits and Investments**
- e. **November 2014 Revenue Pie Chart**

Ms. Hailey presented the financial reports for November 2014 and reported that the District is within budget. The December Statements and other financial reports will be presented after the auditors perform their yearly audit. Revenues were reported at 101% for the year. Delivery System Operations & Maintenance expenditures are at 75%; Other Maintenance expenditures are at 79%; Wages and Salaries are at 85%; Employee Benefits are at 82%; Professional Services expenditures are at 51%; Utilities expenses are at 76%; and Operating expenses are at 75%. Overall budget for expenses are at 79% and the Construction Fund is at 94%.

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

- f. **Policy #130-528 Compensation and Reimbursement Policy**

Ms. Hailey explained the need to update Policy 130-528 and reviewed the suggested changes. Policy 130-528 replaces Policies 511, 512, and 513. Starting in 2015, the District is also required by state law (AB 2040) to post on its website or to provide a link to the State Controller’s office website, in a conspicuous location, the wage compensation of all of its employees. Staff plans on creating a link on the District’s website that will connect to the State Controller’s office.

M/S/C/(Balls/Prieto) That the Board of Directors approved the changes made to Policy 130-528 as presented by Staff by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

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g. Request for Overnight Stay for the CSMFO 2015 Conference in Monterey, CA – February 2015

Ms. Hailey requested authorization for a three-night stay to attend the California Society of Municipal Finance Officers Conference in Monterey, CA. This conference will cover the affordable care act, as well as other financial topics.

M/S/C/(Porter/Prieto) That the Board of Directors approved the Controller's request for a three-night stay to attend the CSMFO Conference in Monterey, CA by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

WATER REPORT

a. Current Water Conditions Report

Mr. Irwin reported on the current and projected water supply and the routing information. As of December 15, Pine Flat release was 115 cfs with storage at 124,588 acre-feet (FID's portion is 7,023 acre-feet); and Runoff for FID is 94 cfs. Pine Flat Precipitation currently is 5.03 inches, with the average of 4.14, making it 121.5% of average to date. Six of the eight snow pillows are showing measurements. Readings in the higher elevations show that for year-to-date the average is 62.9% which is 13.2% of April 1. More storms are predicted for later this week.

The City of Clovis' Surface Water Treatment Plant is back on-line with Fresno's starting within a week or two. The District received captured urban storm water runoff from the Fresno Metropolitan Flood Control District basins from the recent rains which were routed down the Lower Dry Creek system and into the Boswell Banking Facility.

CHIEF ENGINEERS – SPECIAL PROJECTS REPORTS

Chief Engineer – Special Projects report given by Laurence Kimura:

a. Developer Projects 2014-15

The Engineering Department continues to review plans of several projects that will be constructed during the 2014-15 Maintenance Season. There are eight projects in progress at this time. During the last month, Staff has responded to 14 Developer Review Notices and one Utility Search Request. Staff informed the developers working on projects that they will need to be finished and out of the District's systems by February 15, 2015 in preparation of FID's 2015 Irrigation Season.

b. Agency Projects 2014-15

The Engineering Department continues to review plans of several projects that will be constructed during the 2014-15 Maintenance Season. There are no projects in progress at this time.

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Agency / Utility Crossings

There are numerous utility (cable, fiber optics, storm drains, sewer, etc.) crossings being reviewed for boring or construction under various FID facilities.

i. California High Speed Rail Update (CHSR)

There is not much activity occurring at this time with the High Speed Rail project. It was announced that there will be a groundbreaking ceremony held on January 6, with the location yet to be announced.

c. Landowner Initiated Projects Update for 2014-15

There are four landowner projects in progress. Staff is working on three landowner projects proposed to be completed this Maintenance Season (prior to February 15, 2015)

d. Other Activities

USBR Ag Water Management Plan/SBx7-7

This was discussed earlier during the Special Board Meeting. Staff finalized the draft United States Bureau of Reclamation (USBR) Ag Water Management Plan and the accompanying SBx7-7 Supplement Report (the Plan) required by the State of California. The Plan is due to the USBR by December 31, 2014.

ACWA Fall Conference

Mr. Kimura reported that he attended the Association of California Water Agencies Fall Conference in San Diego, CA earlier this month with Assistant General Manager Bill Stretch and Director Steven Balls.

Additional Activities

- Groundwater levels were measured as part of the banking facility monitoring plan;
- Cost estimates are being made for winter maintenance projects;
- Engineering Staff is currently assisting or working on eight maintenance projects; and
- Several surveys were performed for project designs.

Mr. Kimura showed slides on the following projects:

- Clovis Community Medical Center (new turnout structure – Clovis Canal Headgate at Enterprise Canal);
- Enterprise Canal Pipeline substitution (980 feet of open canal with 66-inch RGRCP) and installation of 96-inch inlet with integrated catwalk/trash rack (N/E Nees & Millbrook) – this is a Granville Homes project;
- Herndon West Basin – construction of box structure and earthwork being performed on the basin (N/W Ashlan and Lake);

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- Maupin Canal – relocation and replacement of 1,200-feet of existing 30-inch CIP with 30-inch RGRCP (upgrading to urban standards);
 - Construction of Thompson Canal landowner's bridge (N/W Shields and Jameson); and
 - Little Sandridge Canal Pipeline substitution project – bathtub outlet and box structure construction (N/E Dakota and Siskiyou).
- e. Landowner Request – Paul Toste; Pipeline Quitclaim and Deed of a Tail-End Portion of the Siskiyou No. 146 Pipeline Located Northwest of Kearney Boulevard and Modoc Avenue Alignment. Action Request 2014-15**

Mr. Kimura presented a request to approve a quitclaim to Mr. Paul Toste whose parcel is located at the tail-end portion of the Siskiyou No. 146 pipeline, located north of Kearney Avenue along the west side of Modoc Avenue alignment (APN 020-140-09). Mr. Toste is developing 86 acres into a new almond orchard that will be irrigated with FID surface water.

Mr. Toste will assume all future maintenance costs and responsibility for this portion of the pipeline (1,450 feet of pipe). Mr. Toste will indemnify the District by entering into an agreement and assume the associated agreement fees. The pipeline consists of 31 year old PVC pipe. Cost to Mr. Toste is approximately \$7,000 for drawing up the agreement, installation/parts for a new valve and appurtenances, and a turnout gate. District's cost will consist of Engineering's Staff time. Director Prieto inquired into whether the District will retain an easement on the parcel in order to install future meters. An easement will be retained on the property. It is Staff's recommendation that the Board approve the quitclaim request.

M/S/C/(Porter/Balls) That the Board of Directors approved Engineering Action Request 2014-14 and grant Paul Toste's Quitclaim and Deed request as presented by Staff by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

ASSISTANT GENERAL MANAGER'S REPORT

Assistant General Manager Bill Stretch reported on the following:

a. Maintenance and Construction Update

Maintenance work has been discontinued on the Gould and Enterprise canals in preparation of the Cities of Clovis and Fresno bring their Surface Water Treatment Plants (SWTP) back on-line. The delivery of reclaim water was discontinued on the west side of the District at the end of November.

- Crews performed dredging on the Gould and Enterprise canals prior to the SWTPs coming back on-line;
- Heavy equipment operators (HEOs) are working on the Herndon West Basin (assisting with the building of the Basin);

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- HEOs are also assisting with the cleanup of homeless camps and work orders, as needed throughout the District;
- Crews were able to disc most of the District's basins and have sent back the rental tractor;
- The sloping crew is in the southwest portion of the District along the Houghton System;
- Construction crews are primarily on the Herndon West Basin and the Goodrich Pipeline projects but are also taking care of other projects throughout the District as needed;
- On-going maintenance continues with brushing, gate repairs, and pipeline repairs District wide;
- Spray crews are out applying pre-emergent throughout the District as weather permits; and
- Emmett's Excavation reconstructed the cutoff wall on the Fresno Canal at the East Branch Weir near Belmont and Riverbend;

b. Southwest Groundwater Banking Project Update

Mr. Stretch stated that some progress is being made with the potential purchase of property to be used for the groundwater banking project. Attorneys for the landowner and FID are in the process of negotiating an agreement. Staff continues to look for additional property in that area; however, Staff has not had much success. Staff decided that the District will not continue to actively pursue Denver Church's property as part of the facility and will remove it as a Closed Session item.

c. Sunnyside/Shepherd Terminus Park Update

Mr. Stretch stated the City of Clovis did an excellent job on the Dry Creek Trailhead facility and the dedication ceremony.

The exchange property (for the Sunnyside/Shepherd property) has been identified and is in escrow until the property's entitlement, zoning change, and annexation process has been completed which is expected to be March 2015.

Mr. Stretch showed slides on the following projects:

- Goodrich Canal – pipeline substitution with 500-feet of 27-inch PVC (E/O Peach @ Muscat alignment);
- Central Canal – liner and subgrade repair (W/O Golden State @ Muscat alignment);
- East Branch Weir – cutoff wall reconstruction (Belmont and Riverbend);
- Herndon Canal – structure modification (JC Check – S/E Shields & First). This is where the Gould Extension Canal spills in; these gates can close during storm events, if needed;
- Houghton West – hauling away hard pan (E/O Howard @ Nielsen alignment). Crews use the hard pan as rip rap along the canals;

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- Crews continue to move throughout the District and remove trash from the canals;
- Crews are dredging and brushing along the Enterprise Canal (N/E Millbrook & Nees);
- Sloping crews are working on the Silvia Canal (S/W Ashlan and Grantland);
- Crews continue with dredging the Enterprise Canal (Fowler to Nees);
- Crews also worked on dredging the Gould Canal (W/O MacDonough);
- Crews pressure-washed the flume structure over Fancher Creek on the Enterprise Canal. This was done to assure the continued operation and accuracy of the flume;
- Repair crews repaired a portion of the Dunkard Canal (S/E California & Floyd) – damage was caused by a ripper shank. Engineering Staff has a policy that it will communicate with landowners on the locations of the District’s pipes as soon as they know of any vineyard or orchard removal. The cost of repairs is normally passed on to the party that caused the damage;
- Crews have been out cleaning up homeless camps throughout the District; and
- Confined space rescue training was held in the FID yard and out in the field – the District received positive feedback regarding its safety record and training program from the certified trainers from Cal Fire.

Director Beberian inquired if there are any products that work on eliminating the mares-tail and fleabane weeds. Staff indicated that there are not many products that the District can use but Staff continues to look for other products.

MANAGER’S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

Kings County Water District Banking Facility

The Apex Ranch (a groundwater banking facility) agreement that the Kings County Water District (KCWD) has with the surrounding landowners has expired and will not be renewed. The KRWA individual members have had an arrangement with the KCWD to divert Exhibit “C” flows that are required over the Fresno Weir. Consolidated Irrigation District wrote a letter to KRWA stating that it should discontinue CID’s diversions into the KCWD Apex banking project. Mr. Serrato requested direction from the Board that would allow Staff to develop and send a letter from FID that is similar to CID’s letter but would also include other options for the diversions. The Board directed Staff to proceed with the letter outlining FID’s issues.

Lower River Negotiation with James / Tranquility Irrigation Districts

Negotiations between James Irrigation District / Tranquility Irrigation District and the Lower River members have ceased. The James and Tranquility districts have elected to become members of KRWA once again. The KRWA Watermaster has requested the formation of a subcommittee to review the issues associated with the Kings River Water Associating Agreement “Blue Book”. Mr. Haugen also distributed a letter from Clarks Fork Reclamation District #2069 expressing their concerns that any water diversions

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through Fresno Irrigation District may exacerbate the lack of water through their natural flow (channel losses).

Kings River Fish Count

Mr. Serrato stated the annual fish count on the Kings River has taken place. FID contributed volunteers to help with the program. The results will be shared sometime next year.

Kings River Conservancy Agency

The Conservancy held its annual fund raising event. Monies raised will go towards hiring more California Department of Fish and Wildlife wardens to patrol along the Kings River.

Break

Directors and Staff took a break from 6:35 p.m. to 6:55 p.m. where no District business was discussed.

FRIANT WATER AUTHORITY

Carry Over Water Policy

Mr. Serrato has reviewed this year's carry-over policy for water; he reported that there is no carry over water available.

Strategic Planning

The Strategic Planning process is continuing. The directors and general managers have met in separate sessions to review the results of the interviews that were conducted. On December 17 directors, general manager, and staff will meet to discuss the development of an executive committee and changes within the Friant organization. It has been announced that Ronald Jacobsma will be staying as Friant's general manager but a search is now beginning for a new CEO.

Legislation HR 5781

Friant is preparing to submit legislation regarding unused restoration flows in the San Joaquin River. This was provisionally part of the drought bill (Valadao) but has since been edited. This bill was meant to give some relief from Delta pumping. The President and California's Governor have stated they will oppose this bill.

OTHER

Groundwater Sustainability Meeting

Staff continues to meet and participate with other state and local agencies to work through the requirements of the new law. Staff will meet with representatives from the Cities of Fresno and Clovis, Fresno County, Consolidated Irrigation District, Alta Irrigation District, and Kings River Conservation District to discuss the formation of a Joint Powers Authority (JPA) and begin addressing the requirements of the Groundwater Sustainability Act (Act).

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Alta Irrigation District has informed the group that they will be developing their own JPA within their District and will not be participating with FID, CID, or KRCD. Fresno County is encouraging that all the agencies participate in forming the JPA.

Briggs Canal Operational Agreement (between Consolidated Irrigation District and Fresno Irrigation District)

FID was provided the first draft of the Fresno / Consolidated Briggs Canal Agreement. The purpose of the renegotiated agreement is to remove the existing maintenance and operational guideline for the section of the Briggs Canal that is currently being utilized by both CID and FID. Staff reviewed CID's request to renegotiate the cost share of future repairs of the facility to reflect a share of 35% CID and 65% FID ratio. Staff has reviewed the first draft of the agreement that CID prepared. The agreement was returned to CID with FID's revisions.

City of Fresno "Conveyance Agreement"

FID's Ad Hoc Committee met for the first time on Monday, December 15. Staff passed along information and reviewed the agreement with participating Directors Prieto and Jacobsen. The process of reviewing and renegotiating the agreement is expected to take eight to twelve months. Mr. Serrato will be meeting with the City of Fresno's Public Utilities Director Tommy Esqueda later this week. The City's major interests are reliable water supply and storage. Director Beberian inquired whether the entire conveyance agreement has to be opened up or just identify certain sections that could be modified to address the issues. Mr. Serrato stated that it was his intent to retain most of the language of the current agreement.

Member Reports Deadlines for the Kings River Water Quality Coalition

Mr. Serrato provided a timetable outlining the deadlines for reports due from the members of the KRWAQC (Ag Wavier Discharge program). The first growers meeting of 2015 will be held on February 5 in Selma (two half-day sessions); this meeting is for growers within the Tulare Lake Basin Area.

Miscellaneous

Mr. Serrato mentioned that a thank you letter from the Family Farm Alliance was received for FID's contribution.

ADMINISTRATIVE MATTERS

- a. **Request for Overnight Stay for Directors and Staff to Attend the Mid-Pacific Water Users Conference in Reno, NV in January 2015**

Mr. Serrato mentioned that the January Conference information for Mid-Pacific was available for the Directors. The January Board meeting will be rescheduled from January 20 to January 13 to accommodate those attending the conference.

M/S/C/(Porter/Prieto) That the Board of Directors approved the overnight stays for interested Directors and Staff to attend the Mid Pacific Water Users

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Conference by the following roll call vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

b. Discussion on Changing Start Time of Fresno Irrigation District's Regular Board of Directors Meetings – Water Code Section 21378 (Possible Action – no handout)

Staff was asked to research the steps needed to have the regular board meetings start at 4:00 p.m. instead of 5:00 p.m. Staff explained that it is required to post a legal notice in the Fresno Bee for two consecutive weeks of the proposed change. The Board approved the posting of the announcement and the new start time of 4:00 p.m., beginning with the February 2015 meeting (January's meeting has been changed to a Special Meeting on January 13).

DIRECTORS' REPORT

Director Beberian – none.

Director Balls – attended the ACWA conference in early December. Director Balls thought it was a good meeting and stated that there was good cooperation among agencies regarding the current drought situation.

Director Jacobsen – wished Directors and Staff a Happy Holiday Season. He also mentioned that the Directors are invited to the Year-End-Event on Friday, December 19 at 1:00 p.m.

Director Porter – none.

Director Prieto – stated he appreciated the rain we have received.

The Directors went into Closed Session at 7:30 p.m.

CLOSED SESSION

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

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 and 557-031-05, 39

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

Government Code Section 54956.8 Real Property Transactions.

Negotiators: Gary R. Serrato-FID, Bill Stretch-FID, and GF Land Company L.P.

Properties

Property: APN 035-060-14S

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

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

Government Code Section 54956.7. Conference with Labor Negotiators Regarding Terms and Conditions of Employment with Represented Bargaining Groups.

CLOSED SESSION ADJOURNMENT

President Jacobsen adjourned Closed Session at 8:02 p.m.

REPORT OF ACTION TAKEN IN CLOSED SESSION

President Jacobsen stated that the Supervisors' negotiated Memorandum of Understanding (MOU) was accepted by the Board of Directors and that Staff was instructed to proceed with signing the MOU. Staff was also directed to implement the same conditions to all the Department Heads.

ADJOURNMENT

President Jacobsen adjourned the meeting at 8:03 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board