

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE SPECIAL MEETING
HELD MAY 12, 2015**

Fresno Irrigation District's Board of Directors met in special session in the District office located at 2907 South Maple Avenue – Fresno, California, on May 12, 2015. The meeting was called to order at 4:00 p.m. by Board President Ryan Jacobsen.

DIRECTORS PRESENT

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

DIRECTORS ABSENT

None

STAFF PRESENT

General Manager Gary R. Serrato
Assistant General Manager Bill Stretch
Chief Engineer Laurence Kimura
Watermaster Jim Irwin
Controller DeAnn Hailey
Director of Human Resources September Singh
Maintenance Supervisor Mike Prestridge
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Various FID Area Landowners

PLEDGE OF ALLEGIANCE

Board President Jacobsen started the meeting at 4:00 p.m. with the Pledge of Allegiance.

REVIEW AGENDA

President Jacobsen announced that item 8 a. and b. (Watermaster's Report) will follow the Consent Calendar.

REVIEW OF FUTURE MEETINGS

President Jacobsen stated that next week's Board Meeting (May 19) has been cancelled since a special meeting was being held on May 12. It was also noted that the Board of Equalization meetings will be held in June; starting on the 8th.

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]

None stated.

CONSENT CALENDAR

- a. **Approval of Regular Meeting Minutes – April 21, 2015**
- b. **April 2015 Check Report**
- c. **April 2015 Payroll Registers**
- d. **April 2015 Unpaid Assessment Report**
- e. **April 2015 Investment Account**

Directors Prieto and Beberian both stated they have questions concerning the April 2015 Check Report and would like it set aside for further discussion.

M/S/C/(Prieto/Porter) That the Board of Directors approved Consent Calendar items 6 a., c., d., and e. by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

Director Prieto inquired about the charges to one of the Wells Fargo credit cards; Staff provided an explanation/answer to his question. Director Beberian inquired about the cost of tire disposal, good-faith deposit refunds to a contractor, and two Friant Water Authority payments. Staff was able to give details on each of the payment amounts.

M/S/C/(Prieto/Balls) That the Board of Directors approved Consent Calendar item 6 b. by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

WATERMASTER’S REPORT

- a. **Current Water Conditions Report**

Mr. Irwin reported on the current and projected water supply and the routing information. As of May 11, Pine Flat release was 169 cfs with storage at 228,813 acre-feet. Pre-Project for the Kings River is 895 cfs and FID’s entitlement is 512 cfs. Pine Flat precipitation is currently 11.39 inches (61.5% of yearly average). Last week’s storm added a few additional inches to the meager amounts of remaining snow; however, the snow sensors in the upper elevations are registering zero. Another storm is expected later this week.

- b. **Decision on the Start of the 2015 Water Season**

Mr. Serrato reminded the Directors how dry the conditions are by reviewing the presentation given during April’s Board of Directors meeting. Most of the snow received from the recent storms will be soaked into the ground and very little will end up as

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runoff. Mr. Serrato stated that the KRWA members discussed coordinating their runs to keep water in the river as long as possible to aid in the fishery management program. Peak storage at Pine Flat was 230,000 acre-feet with the peak inflow occurring on May 2, 2015 (1,477 cfs). FID is targeting June 1 to start the recharge / hardship deliveries. Pacific Gas & Electric has made the decision not to call upon their 20,000 acre-feet. KRWA members requested drawing down the TCP down to 75,000 acre-feet; however, it was agreed to bringing it down to 82,000 acre-feet.

Staff's recommendation will be to deliver water for recharge to the Fancher, Dry Creek and Herndon systems. Deliveries will be used to recharge the open channels and recharge basins; reclamation wells on the Houghton and Dry Creek systems will be shut off in June. Growers on the eastside of the District (WSO areas 101 and a portion of 102) will be allowed to purchase Hardship Water during June (up to two deliveries).

Staff will be placing locks and warning signs on the District's gates notifying users that taking water is unlawful and will be subject to action for civil damages which could include fines and sanctions.

Mr. Serrato provided the Board a copy of a letter written by Mr. Keith Koligian requesting that landowners be allowed to move water via FID canals to neighboring parcels due to wells going dry. Directors Porter and Jacobsen were in favor of the concept in general but concerned about liability issues for the District.

President Jacobsen opened up the floor for public comment:

John Coelho (Kerman area farmer) suggested selling water this year and use the money towards the purchase of land for additional banking facility(s) or towards the cost of placing meters on the system.

Keith Koligian requested that Staff work with farmers to accommodate the utilization of the District's canal system to transfer water between properties.

Gary Kazarian commended the District on their safety record.

President Jacobsen closed the public comment section and opened it back up to the Board for further comments.

President Jacobsen stated he would like to see the District take a small amount of water and locate a potential buyer. Director Porter stated that if the District did sell water, he would like it to stay within Fresno County. Mr. Serrato stated that he has been approached by interested parties within the County. Director Beberian requested that Staff provide the water levels located in the water banking facilities to the Board at the June meeting.

The Board gave Mr. Serrato direction to investigate the possible sale of water.

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Mr. Irwin inquired about the cost of Hardship Water for this year. Board Members gave Staff direction that the cost could be up to \$100 based on a per acre-foot rate.

M/S/C/(Porter/Balls) That the Board of Directors approved starting the recharge run on June 1; to start Hardship Water deliveries on June 1; and not set a volume of water until the next Board Meeting by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

ADMINISTRATIVE MATTERS

a. Revision of Enforcement of District’s Rules and Regulations – Procedure 400-205 (Action Item)

Staff reviewed the changes/updates to procedure 400-205 Rules & Regulations. With the District not delivering water to its growers this year, Staff believed a stricter wording of its Procedure 400-205 was necessary. Staff is recommending implementing a \$2,500 fine to deter the taking of water. Mr. Koligian suggested that besides the fine, a landowner should lose their water rights during the following water delivery season. President Jacobsen concurred with his suggestion and directed Staff to include that verbiage into the procedure.

President Jacobsen suggested that Staff send out a post card to all of the District’s landowners notifying them that FID will not be delivering water this year and the penalties attached if caught taking water without authorization.

M/S/C/(Prieto/Balls) That the Board of Directors approved the changes to Procedure 400-205 as presented by Staff with the additional verbiage to include water users losing their water rights during the following irrigation season if determined that they took unauthorized water by the following vote. (Ayes – Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – Beberian)

CONTROLLER’S REPORT

a. March 2015 Fund Statements and Supporting Documents

Ms. Hailey stated since the 2014 Audit has been completed, the Fund Statements and supporting documents from January 31 to March 31 were represented. Ms. Hailey stated that the District is within budget.

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

b. March 2015 Investment Account Maturities

Ms. Hailey reviewed the investment accounts. Director Beberian asked Staff to provide a payoff amount for the bond for the next Board Meeting.

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c. Sale of Nielsen and Marks Properties - Update

Ms. Hailey has reached out to the tenants that are interested in purchasing the property but as of this time, no reply has been received. Staff is working with the City of Fresno to install city water service to one of the properties. The “For Sale” signs have been ordered and will be placed on the properties when they arrive. Director Beberian stated that he has driven past the property and noticed “trash” like material being accumulating on the back of the lot. Ms. Hailey stated she was not aware of the material and would investigate and report back to the Board.

CHIEF ENGINEER’S REPORT

a. Developer Projects Update 2014-15

The Engineering Department continues to review plans of several projects that will be constructed during the 2014-15 Maintenance Season. There are six projects in progress at this time and four more are currently planned. During the last month, Staff responded to 16 Developer Review Notices and two Utility Search Requests.

b. Agency Projects Update 2014-15

The Engineering Department continues to review plans of several projects that will be constructed in the near future. There are two projects in progress at this time and three projects are planned during the fall/winter.

Agency / Utility Crossings

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

i. High Speed Rail

Staff continues to meet with various consultants from the California High Speed Rail Authority – the District will be impacted on 20 facilities at 25 separate crossings. Staff continues to work on the Reimbursement Agreement and the Task Order Agreement with CHSRA and TPZP. CHSRA continues to actively negotiate with landowners for right-of-way property. Staff attended an Open House on April 30, 2015. Progress on the rail project is moving slower than anticipated.

c. Landowner Initiated Projects Update for 2014-15

There are two landowner projects in progress. Staff does not anticipate any other projects to start before irrigation season. Currently there are two projects planned for the fall/winter.

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d. Other Activities

- Monthly groundwater levels were measured as part of the banking facility monitoring plan;
- Cost estimates are being developed for maintenance projects;
- Engineering Staff is currently assisting or working on twelve maintenance projects;
- Several surveys were performed for project designs; and
- Seven construction and structure permits were issued during the last month.

Mr. Kimura provided slides and reviewed the following projects:

- Washington Colony and Central Canals (N/E Jensen and Peach) – contractor is grading near the banks in preparation of fence installation;
- Dry Creek Canal (Thomas and Fulton) – the City of Fresno covered several open dry wells as a safety precaution;
- Goodrich Canal (N/E Central and Peach) – a meter standpipe was installed;
- Lambrecht Recovery Well (Shaw and Goldenrod) – Staff was out taking well sounding measurements at the Waldron facilities;
- FID Yard – a contractor is erecting two canopies for the parking and rest area.

Break

Directors and Staff took a break from 6:00 – 6:10 p.m.; during which time no District business was discussed.

ASSISTANT GENERAL MANAGER'S REPORT

a. Maintenance and Construction Update

Mr. Stretch reviewed the following projects:

- Lampe West Branch Canal (at South and Brawley) – crews backfilled structures and rebuilt the south bank (this is the intertie between the pipe and the pond). This project will be completed within the next few days;
- Storey Ditch (S/W Corner of American and Oranges avenues) – crews performed sloping along the canal banks with the newly purchased sloper;
- Dry Creek Canal (S/W Corner of Olive and Blackstone) – crews took advantage of the extended maintenance season to remove debris from the culvert / canal and to perform brushing along the banks. It has been approximately seven years since crews have been able to accomplish a major clean-up on the Dry Creek;
- Herndon West Canal (N/W Corner of Ashlan and Shasta) – crews performed rehab on the weir structure by sandblasting and applying a new type of mortar product;
- Modoc South Branch (S/E Modoc and Lassen) – structure crews repaired a retaining wall;
- South Central Canal (S/E Central and West) – crews performed liner repair along the sides of the banks;

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- Oleander North Branch (S/W Adams and Orange) – crews took care of a liner repair along the bank by laying down reinforcement wire and then applying a shotcrete product on top;
- Helm Colonial S. Br. (near Sierra and Peach) – a concrete collar was constructed after repairs to a pipeline was needed because of root intrusion. Crews also took care of backfilling the excavation and replaced the fence that was temporarily removed during the repairs;
- Temperance Ditch (McKinley and DeWolf) – crews took care of a gate valve repair;
- Trinity Canal (Dakota and Trinity) – crews applied impervious grout to repair a structure;
- Little Pine Flat (Adams and Marks) – heavy equipment operators were ripping to prepare for recharge. Several other basins are scheduled for ripping in the near future;
- Big Dry Creek (Barstow to Willow) – crews used the Gradall to smooth the road after piles of sand were removed from the canal (after being dredged) and temporarily stored alongside the canal;
- Gould Canal (Dakota and Temperance) – crews were out dumping and spreading sand along the road adjacent to the Gould; and
- Herndon Canal (E/O Gates) – crews performed clean-up of homeless encampments along the District's canal.

Mr. Stretch also reported that dredging took place on the Herndon West at Shaw Avenue and Hwy 145. As the weather permits, crews are out spraying (the Fancher and Briggs systems on the south side and the Silva, Minor-Thornton, Epstein, and Johns on the west side).

b. Southwest Groundwater Banking Project - Update

Mr. Stretch announced that escrow was finally opened on the 40 acre Gerawan parcel on April 27, 2015. Escrow is scheduled to close by mid-May.

Staff continues to look at additional parcels. A few landowners' appraisals are being worked up with Staff being hopeful that negotiations will progress.

Staff continues to meet with James Irrigation District approximately every six to eight weeks.

c. City of Clovis Property Exchange – Update

In early May, both the City of Clovis and LAFCO approved the exchange of the property. The City still has a couple of items to take care of before the final hand-over can be made. Clean-up of the property (mowing, discing, and adding drip line to a stand of mature trees) is taking place. Staff believes the property exchange should occur by mid-June.

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d. Ag Water Management Plan – Update

Staff submitted the WMP and SBx7-7 Supplement reports to the USBR and to the DWR in late December. After receiving feedback from the USBR staff, FID was notified that an USBR second internal review needed to be done. FID Staff submitted several revisions with the latest in mid-April. Staff anticipates that the USBR will approve the plan soon, at which time the USBR will request FID to formally adopt the plan. Staff will then submit the plan to DWR.

e. Kings River Water Quality Coalition – Update

There is no update to present other than Mr. Stretch stating that the Nitrogen Management Planning requirement began on March 23 for members in High Vulnerability Areas that farm 60 acres or more irrigated acres.

f. Sustainable Groundwater Management Act (SGMA) – Update

Mr. Stretch provided the Board an extensive presentation during the April Board Meeting. FID held a meeting on April 30 with the Fresno Regional Area Groundwater Management Group which consists of ten members (nine agencies and one private). Following that meeting, Mr. Serrato was a panelist on the Fresno County SGMA workgroup which includes 25 members. The County is moving in a parallel tract because they are the default agency if the local agencies are unable to form a GSA.

The DWR has completed the Groundwater Update to the California Water Plan Update 2013 which includes essential data, information, and analyses that will be important to the successful implementation of a statewide groundwater sustainability management process. The first section released was the Tulare/Kings County area. While reviewing the update, Staff is looking at the different boundaries of the sub-basins. Local agencies will have to work together to more accurately identify each parcels boundaries.

Miscellaneous

Mr. Serrato, Mr. Stretch, Mr. Kimura, and Director Beberian attended the ACWA conference in Sacramento last week. A great deal of the discussions centered on groundwater sustainability and implementing a groundwater sustainability plan. Agencies are closely tracking several legislative bills that will attempt to “streamline” the adjudication process in the future. Staff is working with different organizations and government agencies.

MANAGER’S REPORT

General Manager Gary Serrato reported on the following:

KINGS RIVER WATER ASSOCIATION

James and Tranquility Irrigation Districts

KRWA continues to meet to discuss the process of bringing James and Tranquility back on as members of the KRWA. Steve Haugen, Kings River Watermaster, has provided

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the committee with areas in the KRWA Agreement (Blue Book) that will be affected. There seems to be a consensus on how Mr. Haugen will make the changes to the Blue Book. The remaining issue is whether James and Tranquility's storage includes the water affecting the Temperature Control Pool (TCP). There are some on the Lower River that believe that James and Tranquility are responsible for the TCP. Representatives from the James and Tranquility organizations will meet with the Lower River representatives to resolve any disputes before the next committee meeting.

Pre-1914 Water Rights

A meeting was recently held to discuss the Pre-1914 agreement which for the most part has been completed. There is now the question of whether to have it finalized as an agreement or a policy. KRWA staff believes that it should be in the form of an agreement, which would provide staff with greater enforcement ability. However, there are two member districts that have a concern about it being an agreement, so discussions will continue.

SAN JOAQUIN RIVER ISSUES

Bureau of Reclamation (Bureau)

The Bureau of Reclamation is working with the Friant Contractors and the Exchange Contractors in developing a fallowing program that could provide Friant with up to 40,000 acre-feet. The cost could be between \$900 - \$1,000 per acre-foot plus a share of channel losses of 7,000 acre-feet. Water would be prorated to the Contractors based on the size of their contracts. The City of Fresno could receive up to 3,000 acre feet. .

OTHER

Groundwater Sustainability Act

Mr. Serrato stated that it appeared every meeting held at ACWA concerned the groundwater sustainability act. Mr. Stretch, Mr. Kimura, and Mr. Serrato each attended different meetings to hear the different opinions on sustainability.

City of Fresno Conveyance Agreement Negotiation

Staff continues to meet with the City of Fresno representative to review the storage and conveyance issues. Staff is trying to determine the volume of storage that would be needed and the requirements of year-round conveyance. During the next meeting, cost will also be included in the discussion.

2015 Spring ACWA Conference

During the conference, Staff met with the exchange contractors and the Bureau of Reclamation. Staff relayed that FID was no longer a Friant Water Authority member but is still a Friant contractor and asked that the District not be excluded from anything that would impact FID's contract or water supply. The Bureau and Contractors agreed to work with FID on future projects and programs that could be mutually beneficial.

Mr. Serrato also attended a discussion on the Coordinated Operations Agreement of the Delta Pumps. Mr. Serrato came away with a clearer understanding of the agreement

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and how the water is allocated to the Exchange Contractors. It appears that the Exchange Contractors will be receiving less than 65% of their entitlement which is less than they received last year.

Staff started the process of setting up a meeting through Senator Feinstein's office to meet with the Army Corp of Engineers to discuss the Operations of Redbank Detention Basin, Fancher Creek Detention Basin, and Big Dry Creek Reservoir.

ACWA Region 6

Mr. Serrato stated that he is a member of the ACWA Region 6 nominating committee. Currently there are three openings on the board and applications are being accepted through June 30. Director Beberian has expressed an interest in running for the board; as such, with Director Beberian's application, FID will need to prepare a resolution and the Board would need to approve the resolution.

Friant North Group - Memorandum Of Understanding

The newly formed Friant North Group has agreed on a memorandum of understanding (MOU). This document has been reviewed by FID's legal counsel. The MOU describes the desire for its members to work together in the future concerning water supply and development. Should the group decide to continue, the next step would be to form a Joint Powers Authority (JPA). The JPA would involve dues, voting, governance, and additional requirements. It is Staff's recommendation to approve the MOU.

M/S/C/(Porter/Balls) That the Board of Directors approved Staff's recommendation to approve the Friant North Memorandum of Understanding by the following vote. (Ayes – Beberian, Balls, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

ADMINISTRATIVE MATTERS

b. FID Board Member Attendance at the CSDA: Special District Leadership Academy Governance Foundation Training – June 16, 2015

Ms. Singh reminded the Board that CSDA will be holding a Special District Leadership Academy Governance Foundation Training at the FID office on June 16. She requested that a Member of the Board attend the training.

DIRECTORS' REPORT

Director Beberian – attended ACWA conference and found it interesting and learned a great deal. Director Beberian encouraged other members to attend future conferences.

Director Balls – none.

Director Jacobsen – presented a *Director Proposal For Agenda Item* form. Director Jacobsen suggested that the Board Members review it and try it out – changes to the form can be made at a later time.

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Director Porter – attended the JPIA meeting that was held prior to the Sacramento ACWA conference. Director Porter reported that board elections were held.

Director Prieto – none.

Open Session concluded at 7:08 p.m. with the Board entering into Closed Session.

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

Property: 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

REPORT OF ACTION TAKEN IN CLOSED SESSION

President Jacobsen adjourned Closed Session at 7:13 p.m. and stated that there was nothing to report.

ADJOURNMENT

President Jacobsen adjourned the meeting at 7:14 p.m.

Submitted By,

Gary R. Serrato
Secretary of the Board