

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD MAY 15, 2018**

Fresno Irrigation District's Board of Directors met in regular session at the District office located at 2907 South Maple Avenue – Fresno, California, on Tuesday, May 15, 2018. Board President Ryan Jacobsen called the meeting to order at 4:00 p.m.

DIRECTORS PRESENT

President Ryan Jacobsen
Vice President Jerry Prieto, Jr.
Director George Porter
Director Gregory Beberian
Director Chris Woolf

DIRECTORS ABSENT

None

STAFF PRESENT

General Manager Gary R. Serrato
Assistant General Manager Bill Stretch
Chief Engineer Laurence Kimura
Operations Manager Adam Claes
Watermaster Jim Irwin
Construction/Maintenance Superintendent Mike Prestridge
Controller DeAnn Hailey
Legal Counsel Jeff Boswell
Staff Engineer Sen Saetern
Staff Engineer Nick Zaninovich
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Maricopa Orchards Representative
Independent Reporter Don Wright

PLEDGE OF ALLEGIANCE

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

REVIEW AGENDA

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

REVIEW OF FUTURE MEETINGS

Mr. Serrato stated the City of Fresno is holding its annual Mayor's lunch on June 20, 2018. Any Director interested in attending should notify Staff. Mr. Serrato also stated the Board of Equalization meetings are scheduled for June 11, 18, and 19, 2018. The legal notice was placed in the Fresno Bee for publication.

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 Special Board Meeting Minutes – April 10, 2018**
- b. **Approval of Audit Committee Meeting Minutes – April 11, 2018**
- c. **Approval of Finance Committee Meeting Minutes – April 11, 2018**
- d. **Approval of Equipment Committee Meeting Minutes – April 17, 2018**
- e. **Pulled for further review**
- f. **April 2018 Check Reports**
- g. **April 2018 Payroll Registers**
- h. **April 2018 Unpaid Assessment Report**
- i. **April 2018 Investment Account**

Director Beberian pulled item 6. e. for further inquiry.

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

- e. **Approval of Regular Board Meeting Minutes – April 17, 2018**

Director Beberian inquired on the status of the agreement with Consolidated Irrigation District (CID). Mr. Serrato informed the Board that the agreement was signed by FID and is awaiting CID's signature. Staff will provide the agreement and an update to the Board at the June meeting.

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

CONTROLLER'S REPORT

- a. **Discussion / Possible Action on January to March 31, 2018 Fund Statements and Supporting Documents**

Ms. Hailey presented the January through March 2018 Fund Statements. Ms. Hailey reported that Revenues were at 100%. Fresno County paid the District for penalties and interest that were not in the budget. Engineering fees are at 20% of budget and Miscellaneous Income is high due to the sale of dirt to the CHSR. Under Expenses: Repairs & Maintenance – Canal Structures costs were high but would be adjusted as the District goes into water season. Other Maintenance is at 18%, KRWA SGMA expenses are at 16%, and overall Expenses are at 24% through March.

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M/S/C (Prieto/Woolf) That the Board of Directors approved the January to March 31, 2018 Fund Statements and Supporting Documents as presented by Staff by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

b. Discussion / Possible Action on Line of Credit (Warrants) Request (walk in)

Ms. Hailey reviewed attorney fees, interest, penalties, and repayment schedule to cover the \$6 million line of credit for the construction of the Central Basin project. Because FID is required to upfront the cost of the project and then request reimbursement from the State, the line of credit will be utilized as a bridge until grant funds from the State Water Resources Control Board become available.

M/S/C (Prieto/Porter) That the Board of Directors approved the Line of Credit terms for the Central Basin project as presented by Staff by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

c. Discussion / Possible Action on Nielson and Marks Property Lease Renewal

Ms. Hailey reported the lease on the Nielson and Marks property is up for renewal. The tenants are doing a good job of maintaining the property and recommends renewing the lease for one year under the same terms.

M/S/C (Porter/Prieto) That the Board of Directors approved renewing the lease to Pancho Villa Riders Motorcycle Club for one year at the same lease rate and terms by the following vote. (Ayes – Beberian, Woolf, 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 routing information. As of May 14, Pine Flat release was 3,363 cfs with storage at 893,802 acre-feet. FID storage was 139,183 acre-feet. Pre-Project for the Kings River was 4,641 cfs – FID entitlement was 1,360 cfs. Fresno precipitation was at 6.73 inches for Year-To-Date, 61.7% of average (10.91 inches) – Pine Flat precipitation was at 13.09 inches for Year-To-Date, 70.4% of average (18.60 inches). Due to the management of the systems by the Upper River group, KRWA was able to avoid flood release.

Mr. Serrato stated there could be additional Friant Unreleased Restoration Flow water available starting at the end of May or beginning of June.

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b. Discussion / Possible Action on Annex Area Water Supply and Charges

Mr. Serrato stated the Uncontrolled Class II water previously available is now over. An alternate supply of water is now available for delivery to the Annex Area. Staff's recommendation is that FID charge \$150.00 per acre-foot, which covers the cost of water and administrative fees. Annex Area growers using the water were notified by the Watermaster of the increase in cost of the water prior to the Uncontrolled Class II water running out (May 10) and fees for the water would revert to the \$300 per acre-foot cost previously approved by the Board.

M/S/C (Porter/ _____) The motion to charge \$300 per-acre foot of water for the new water supply died for lack of second.

M/S/C (Beberian/Prieto) That the Board of Directors approved modifying the cost of the Annex Area water retroactive from May 11 at \$150 per acre-foot, which covers the cost of water and administrative fees by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Prieto, Jr.; Nays – Porter; Absent – 0; Abstain – 0)

CHIEF ENGINEER'S REPORT

Chief Engineer Laurence Kimura reported on the following:

a. Developer Projects Update 2017-18

- Staff reviewed projects for the 2017-18 Maintenance Season
- Six projects in progress
- Ten projects under review
- Commented on 38 developer review notices and four utility search requests

b. Agency Projects Update 2017-18

- Staff worked on projects under construction and reviewed projects for the 2017-18 Maintenance Season
- Four projects in progress
- Five projects under review

i. High Speed Rail (HSR)

- FID Staff continues to work on facility agreement negotiations with CHSRA, BNSF, and UPRR
- Utility and street work has started near the vicinity of the Herndon Canal
- Construction at the Fresno Colony Canal is nearly complete and able to convey water deliveries
- Fill material excavation from the Pursell, Oleander, and Ventura ponds is completed

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c. Landowner Initiated Projects Update for 2017-18

- No projects in progress
- No projects under review for the 2017-18 Maintenance Season

d. Other Activities

- Groundwater levels were measured as part of the banking facility's monitoring plan
- Plans are being drawn up for future maintenance projects
- Staff is assisting or working on six FID maintenance/construction projects (one currently in progress)
- Several surveys were performed for project design and construction
- Staff has been very busy locating pipelines and rights-of-ways for crop conversions
- Over the last month fourteen construction, structure, or water permits were issued and monitored

Project(s)

- Thompson #4 Canal (Ashlan Align and Jameson) – landowner replaced and realigned (due to ripper damage) approximately 575 feet of 30-inch CIP-MCP with approximately 800 feet of 30-inch PVC pipe
- Victoria Colony West Branch (S/E Clinton and Brawley) – pipeline substitution of approximately 350 feet of open channel with 24-inch RGRCP

e. High Speed Rail – Fresno Colony No. 24 Update

Mr. Kimura and Mr. Boswell reviewed the negotiation process that FID Staff has been involved in with CHSR regarding the Fresno Colony No. 24 facility, property, and easements (near Golden State and North Avenue). The easements would allow CHSRA to construct, operate, and maintain a proposed viaduct structure over FID's Fresno Colony and property and provide CHSRA access through FID's property for operation and maintenance. In order to perpetuate FID's property rights, CHSRA will also be entering into a common use agreement with FID. FID Staff anticipates finalizing and approving these agreements and right-of-way purchase with CHSRA within the next few months.

ASSISTANT GENERAL MANAGER'S REPORT

Operations Manager Adam Claes reported on items a. - c. for the Board:

a. Maintenance and Construction Update

- East Branch Canal (N/E Belmont and Del Rey) – removed root blockage
- Little Houghton Canal (S/W) McKinley and Rolinda) – pipeline repair (considered a high-pressure closed pipeline system)
- Thompson #4B Canal (S/W Ashlan and Bishop) – pipeline repair

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- Teague School Canal (S/E Gettysburg and Polk – manhole cover repair
- Victoria W Branch Canal (McKinley and Valentine) – crews reclaimed bank

b. Southwest Groundwater Banking Project Update

Situated at S/E Lincoln and Madera avenues is a 100-acre joint recharge facility project with the James Irrigation District. The facility is essentially complete with 50 cfs being routed through the project to test canal conveyance and pond recharge rates. The recharge basin facility is equipped with turnout and control structures, a weir, monitoring wells, and fencing.

Assistant General Manager Bill Stretch reported on items d. - g. for the Board:

c. Sustainable Groundwater Management Act (SGMA) Update

i. North Kings GSA Update

Mr. Stretch reported the North Kings GSA Advisory Committee will meet on May 18 and the Board of Directors will next meet on May 24 (the April Board meeting was cancelled due to lack of action items). The Technical Committee continues to work on completing the draft GSP within the next seven months (target deadline of the draft Plan is January 2019). The Committee continues to work on the more complex chapters. The Membership/Outreach Subcommittee continues to work on getting out key messages to the media, growers, agencies, and community organizations. The Administrative/Fiscal Subcommittee continues to meet. The Finance Committee comprised of NKGSA Board Members Prieto and Kienow recently met to discuss the proposed 2018/2019 fiscal budget. The proposed budget will be presented at the upcoming NKGSA Advisory Committee and Board meetings.

ii. Kings Subbasin GSA Update

The overdraft numbers and boundary flows for the seven GSAs continues to be discussed. The group has yet to agree on an option on how the overdraft will be shared. The drafted dispute resolution will be presented to the Advisory Committee for approval before bringing it to the Board of Directors. Paula Landis (recently retired from DWR) was chosen as the mediator by the seven GSAs. The recent Proposition 218 elections for North Fork Kings GSAs were both approved.

iii. Miscellaneous – County/DWR/SWB

There was nothing new to report.

e. Friant Water Authority – Update

Director Porter and Mr. Stretch attended the latest FWA Board meeting. Discussed at length was the title transfer issue. FWA also continued to look at subsidence (a.k.a. capacity issue corrections) remedies on the Friant-Kern Canal. Friant is in the process of acquiring RFQs (request for qualifications) for engineering services to assist with this situation. Costs for short-term solutions are estimated between \$10 and \$100 million. Staff's position is that FID is not responsible for the subsidence issues and therefore not

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obligated to contribute towards the cost of funding any remedies. Staff's recommendation is to take an opposed position when voting on this issue.

f. FID Water Resource Strategic Plan Element Update

Mr. Stretch and Mr. Serrato met with members of New Current Land and Water earlier in May and reviewed the draft plan. Another meeting to review the plan in detail is scheduled for the end of the month.

g. Trails Along FID Canals – Master Trails Agreement with the City of Fresno Update

FID Staff met with the City of Fresno (city manager, mayor's chief of staff, assistant public works director, and assistant city manager) on May 1. Verbally, the two parties have come to an understanding and FID Staff awaits to receive the revised agreement from the City of Fresno.

MANAGER'S REPORT

KINGS RIVER WATER ASSOCIATION

a. Kings River Water Association Update

No further update.

b. Friant Operations Update

No further update.

c. Miscellaneous Updates

During the ACWA Conference, Staff met with several state elected officials (from the Central Valley) and/or their staff to discuss water issues important to the District. One legislation currently up for consideration is Assembly Member Arambula's bill on groundwater recharge recognized as a beneficial use for critically over-drafted basins. KRWA has taken the position of "support if amended" on this bill.

The California Water Commission declared the Semitropic Water Storage project ineligible; however, the project could still move forward.

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ADMINISTRATIVE MATTERS

a. Discussion / Possible Action on Board of Directors Health and Welfare Benefits

Ms. Singh stated that Government Code 53201(c)(1) was recently brought to Staff's attention. The Code states that any director who takes office on or after January 1, 1995, is not eligible for agency-paid benefits upon retirement, regardless of the number of years served. Based on research done by Staff, only one past director was receiving benefits and not self-paying. Staff will contact the past director and make the needed adjustment.

Staff will bring this to the Board at the next Board meeting for a vote on whether to eliminate the offer of major medical coverage to directors or for the directors to continue the option on a self-pay basis.

Director Beberian suggested the District's labor counsel review this government code as it seems to conflict with other codes Director Beberian provided.

DIRECTORS' REPORT

Director Beberian – attended the 2018 Spring ACWA conference in Sacramento. One of the sessions Director Beberian attended was Safety Manager David Burrow's presentation during JPIA's portion of the conference regarding the homeless/camping situation that FID and cities face. Director Beberian thought the presentation/workshop was great and suggested replaying it for the Board. Staff stated it plans to give the presentation during June's Board of Directors meeting.

Director Woolf – none.

Director Jacobsen – none.

Director Porter – stated his constituents are glad to have the water. Director Porter has received many positive comments on the conditions of the canals (weed control).

Director Prieto – stated many new houses are under construction in his area and is worried about all parties following established regulations.

Open Session concluded at 6:21 p.m. with the Directors and some Staff going into Closed Session at 6:38 p.m. No District business was discussed during the break.

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CLOSED SESSION

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(d)(2). Meet in closed session to confer with counsel on potential litigation arising out of claims by third parties to water rights on the Kings River. On advice of counsel, the staff has concluded that, based on existing facts and circumstances, there is significant exposure to litigation by or against the KRWA.

Government Code Section 54956.8 Real Property Transactions.

Negotiators: William Stretch – FID, Gary Serrato – FID; and William H. Wagner and William H. Wagner as Trustee

Properties: APN 512-021-03 and 512-020-09

Terms and Conditions: Negotiations of Purchase of Real Property
Resolution 2017-14

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(d)(2). Meet in closed session to confer with counsel on potential litigation arising out of claim by third party: Hardeep Kalket and Amandeep Kalket - Engineering Action Request 2018-03 (CS-1)

CLOSED SESSION ADJOURNMENT

President Jacobsen adjourned Closed Session at 8:00 p.m.

REPORT IN OPEN SESSION OF ACTION TAKEN IN CLOSED SESSION

President Jacobsen stated there was no reportable action from Closed Session.

ADJOURNMENT

With no further business, President Jacobsen adjourned the meeting at 8:01 p.m.

Submitted By,



Gary R. Serrato
Secretary of the Board