

**FRESNO IRRIGATION DISTRICT
MINUTES OF THE REGULAR MEETING
HELD JULY 17, 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, July 17, 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
Operations Manager Adam Claes
Construction/Maintenance Superintendent Mike Prestridge
Controller DeAnn Hailey
Human Resource Director September Singh
Legal Counsel Jeff Boswell
Staff Engineer Felix Vaquilar
Staff Engineer Sen Saetern
Staff Engineer Nick Zaninovich
Recording Secretary Lynn B. Rowe

OTHERS PRESENT

Independent Reporter Don Wright
Labor Law Attorney Howard Sagaser (arrived at 5:40 pm)

PLEDGE OF ALLEGIANCE

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

REVIEW AGENDA

President Jacobsen stated Closed Session would be moved to approximately 5:30 p.m. to accommodate a guest. Mr. Serrato stated that item 10 f. will follow item 10 a.

REVIEW OF FUTURE MEETINGS

President Jacobsen stated there were no changes to the future meetings.

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 Board of Equalization Meeting Minutes – June 11, 18, and 19, 2018**
- b. **Approval of Regular Board Meeting Minutes – June 19, 2018**
- c. **Approval of Personnel Committee Meeting Minutes – June 29, 2018**
- d. **Approval of Personnel Committee Meeting Minutes – July 10, 2018**
- e. **June 2018 Check Reports**
- f. **June 2018 Payroll Registers**
- g. **June 2018 Unpaid Assessment Report**
- h. **June 2018 Investment Account**
- i. ***Moved out of Consent Calendar for further discussion***
- j. **Clarification of Easement Agreement and Quitclaim – Hinds Investments, L.P. is Requesting Quitclaim of a Portion of Easement Granted Under the Harris Agreement (Recorded 1873) on APN: 499-021-32, 33, 13, 14, 15, 16, 29, 30, 37, 38, 39, and 45. Engineering Action Request 2018-13**

Director Prieto requested item 6. i. be pulled for further discussion.

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

- i. **Clarification of Easement Agreement and Quitclaim – Cossete Investment Co., Inc., is Requesting Quitclaim of a Portion of Easement Granted Under the Harris Agreement (Recorded 1873) on APN: 339-230-01S. Engineering Action Request 2018-12**

Director Prieto requested more details on the project. Staff Engineer Sen Saetern informed the Board that the owner is trying to clear the title of the property. In-House Legal Counsel Jeff Boswell has reviewed the request and the 1873 agreement.

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

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CONTROLLER'S REPORT

a. Discussion / Possible Action on June 2018 Fund Statements and Supporting Documents

Ms. Hailey presented the June 2018 Fund Statements and reported the District is within budget. Ms. Hailey reported on the following:

- **Penalty/Cost Income** – the County paid the District for previous year's delinquent penalties that were not budgeted
- **Interest Income** – the County paid the District for previous year's delinquent interest that was not budgeted
- **Project Contributions/Other** – this amount is high due to the billing for CHSR
- **Miscellaneous** – income is higher due the sale of dirt to CHSR and metal recycling
- **Prop 44 Principal Payment** – higher amount due to early pay-off of Proposition 44 loan
- **Water Sales / Other** – higher amount due to the sale of water not originally budgeted

M/S/C (Prieto/Porter) That the Board of Directors approved the June 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)

Director Beberian inquired what the annual fees were for CSDA and ACWA. Ms. Hailey stated she would research those amounts and report back.

b. 2018 Investment Maturities as of June 30, 2018 Update

Ms. Hailey reported earnings on investments were \$133,016.56.

c. Department of Water Resources Loan Contract E72006 Update

Ms. Hailey noted the District received a paid-in-full notice on the contract from the Department of Water Resources.

d. Line of Credit Update

Wells Fargo Bank provided the District with a revised term sheet. The credit accommodation will be used for the construction of the Central Basin Project and the Wagner Basin Project. In addition to the Bank's counsel cost, the District would occur attorney's costs for the bond counsel of up to \$25,000 (fees will only be that of actual cost). The Board has the option of selection for the fixed rate or the variable rate. Staff recommends selecting the variable rate; the variable rate allows for early pay-off.

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August 24, 2018 is the scheduled closing date. Ms. Hailey will bring this item before the Board during the August meeting.

M/S/C (Porter/Beberian) That the Board of Directors approved the terms sheet (dated July 12, 2018) at the variable rate by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

e. Discussion / Possible Action on Multiple-Night Stay to Attend the 2018 CSDA Annual Conference in Indian Wells – September 2018

The annual CSDA conference this year is in Indian Wells, CA in September. Ms. Hailey requests Board's approval to attend the four-day conference. Attending this conference earns the District credit points towards the Workers' Compensation invoice. Last year the District was able to save \$45,000 by attending conferences, webinars, and workshops.

M/S/C (Porter/Beberian) That the Board of Directors approved the Controller's multi-night stay to attend the 2018 CSDA Annual Conference in Indian Wells 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

With Mr. Irwin being absent, Mr. Claes reported on the current water supply and routing information. As of July 11, Pine Flat release was 5,985 cfs with storage at 596,837 acre-feet. FID storage was 123,590 acre-feet. Pre-Project for the Kings River was 894 cfs – FID entitlement was 511 cfs. Mr. Claes reported on the algae bloom in Pine Flat Lake and the reporting procedures to the cities of Fresno and Clovis as it may affect their surface water treatment plants. Both cities have initiated testing / treatment procedures. Pine Flat is just under 50% capacity.

Mr. Claes reviewed the routing information for the remainder of the 2018 Irrigation Season. Mr. Claes stated that the District has enough water to run through the end of August. Mr. Serrato stated FID will be responsible for Exhibit "C" Flows this year, which have been incorporated in the routing.

Mr. Stretch noted that the City of Clovis will call on a 1,000 acre feet of their banked water from the Waldron and/or Boswell Banking Facilities (first time in thirteen years).

Mr. Claes reported the District has 2,100 acre-feet (Lower Dry Creek system) of Reclaim Water to run during the month of September. A possible Hardship run on the east side of the District will be discussed at the August Board meeting.

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The Board decided to continue deliveries to the entire District through the end of August.

M/S/C (Porter/Beberian) That the Board of Directors approved running the 2018 Irrigation Season through the end of August District-wide by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

b. Discussion / Possible Action on Sale / Transfer / Exchange of Water

Mr. Serrato announced that Crescent / Stinson backed-stopped FID's Temperature Control Pool in 2014 and is now requesting the water be returned this year.

CHIEF ENGINEER'S REPORT

Mr. Stretch, reporting for Laurence Kimura, noted that the *Land Use & Irrigation Data Report (2017 Crop Year)* produced by the Engineering Department was distributed to the Board. As of 2017, it became official that almonds have become the District's number one crop – surpassing vineyards. Staff will post the report on the District's website.

a. Developer Projects Update 2018-19

- Staff reviewed projects for the 2018-19 Maintenance Season
- Four projects in progress
- Ten projects under review
- Commented on 32 developer review notices and seven utility search requests

b. Agency Projects Update 2018-19

- Staff worked on projects under construction and reviewed projects for the 2018-19 Maintenance Season
- Two projects in progress
- Six projects under review

i. High Speed Rail (HSR)

Mr. Vaquilar updated the Board on the progress with CHSR. FID Staff has a meeting with HSR management next week. Mr. Boswell also explained the difficulty Staff has experienced finalizing agreements. Part of the issue stems from CHSR changing employees and the new associates do not have the benefit of what was discussed/agreed to prior.

c. Landowner Initiated Projects Update for 2018-19

Nothing to report.

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d. Other Activities

Nothing to report.

ASSISTANT GENERAL MANAGER'S REPORT

Operations Manager Adam Claes reported on items a. and f. for the Board:

a. Maintenance and Construction Update

- Bateman Canal (S/W Olive and Madera) – pipe and structure repair
- Los Almos Canal (Behymer and Willow) – gate and structure repair by FID crews
- Hawn Canal (Highway 180 and Polk) – additional gate repair
- Little Houghton Canal (Belmont and Dickenson) – temporary pipe repair
- Waldron Banking Facility (Floyd and Nielsen) – rip/rap placement on the south bank
- Briggs Canal (Highway 180 and Temperance) – District crews removed large trees and stumps from right-of-way
- Spray Truck and Tractor crews – spraying occurred at the following locations:
 - Pacheco Pond (S/W Clinton and Lake)
 - Herndon West Canal (Ashlan and Plumas)
 - West Branch of the East Branch Canal (Belmont and DeWolf)
 - Application of Copper Sulfate on the Fancher System
 - Application of Magnacide H on the Herndon Canal
- Herndon Canal (Shaw and Goldenrod) – trash crews removed debris from trash rack
- Herndon Canal (Ashlan and West) – monthly homeless camp cleanup
- Waldron Banking Facility (Floyd and Nielsen) – improvement to all-weather road

f. Discussion / Possible Action on Equipment Committee Recommendations (walk in)

Mr. Claes stated the Equipment Committee met prior to the Board meeting. The Committee members and Staff discussed the purchase of on- and off-road equipment/vehicles and computer equipment (software, hardware, network, etc.). Purchases would consist of replacement WSO vehicles, crew-cab pickup, utility truck, truck/tractor spray booms, flatbed trailers, and upgraded computer network server software and backup system. Estimated cost is \$430,500 with monies to come from the Power Revenue Fund. The Equipment Committee recommends that Staff go out-for-bid on the vehicles and trailers and bring the quotes to the Board for final approval, purchase three (3) replacement spray booms instead of the originally recommended four (4) at a cost not to exceed \$7,500 per spray boom, and purchase the computer network server and backup system from FID's IT consultant.

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M/S/C (Prieto/Beberian) That the Board of Directors approved the Equipment Committee and Staff's recommendation to obtain bids on or purchase the discussed equipment as presented by Staff by the following vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

Assistant General Manager Bill Stretch reported on the following:

b. Sustainable Groundwater Management Act (SGMA) Update

i. North Kings GSA Update

Mr. Stretch updated the Board on current NKGSA activities. An Ad-Hoc Committee was developed to begin the selection process of hiring a new executive officer. Mr. Serrato will be resigning at the end of the year as the executive officer in preparation of his retirement in January 2019. The Technical Committee continues to work on the Groundwater Sustainability Plan. Recent modifications to the boundaries, including the San Joaquin River, are under review. Outreach meetings have been scheduled with water districts, city agencies, radio broadcasts, and disadvantage community organizations throughout the area.

ii. Kings Subbasin GSA Update

There was nothing new to report.

iii. Miscellaneous – County/DWR/SWB

There was nothing new to report.

c. Friant Water Authority – Update

FWA hired a media consultant to focus on Proposition 3 and other issues. The District's Director and Staff were not aware of FWA's plans to hire a media consultant. Mr. Stretch stated Director Porter did a good job dealing with the subsidence issue that FWA is facing. Director Porter explained to FWA's Board the District's reasons for abstaining from the vote.

Mr. Stretch reviewed the email sent out by Alexandra Biering, media consultant for FWA, on the State Water Resources Control Board's Bay-Delta Plan (also known as unimpaired flow). In the email, Ms. Biering answered several questions she has received from reporters, colleagues, and members of the public. Staff will monitor this issue closely.

d. FID Water Resource Strategic Plan Element Update

Mr. Stretch stated FID Staff continues to meet with New Current Water and Land. Final revisions are underway. Staff should have more to report in the next two to three months.

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

Mr. Stretch stated it has made great progress with the agreement. City and District staff continue to work on finalizing the agreement language. Confidence is high that the agreement will be brought to the Board during August’s meeting.

Open Session was suspended at 6:05 p.m. with the Directors and some Staff going into Closed Session.

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.

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)

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9. Meet in closed session to confer with counsel on potential litigation arising out of claims by third parties for benefits claims. On advice of counsel, the staff has concluded that, based on existing facts and circumstances, there is significant exposure to litigation by or against Fresno Irrigation District. Update (walk in)

Conference with Legal Counsel – Anticipated Litigation Government Code 54956.9(d)(2). Meet in closed session to confer with counsel on existing litigation arising out of claims by third parties – McKenzie.

CLOSED SESSION ADJOURNMENT

President Jacobsen adjourned Closed Session at 7:20 p.m.

Open Session resumed at 7:21 p.m.

REPORT IN OPEN SESSION OF ACTION TAKEN IN CLOSED SESSION

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

MANAGER’S REPORT

KINGS RIVER WATER ASSOCIATION

a. Kings River Water Association Update

Nothing to report.

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b. Friant Operations Update

No further update.

c. Miscellaneous Updates

Nothing to report.

ADMINISTRATIVE MATTERS

a. Discussion / Possible Action on Resolution 2018-10 for the Naming of the Wagner Recharge Basin

Mr. Claes updated the progress on the recharge basin and recommended approving the naming of the basin the William H. Wagner Recharge Basin in honor of the former property owner. Staff will invite family members to the August Board meeting for a formal presentation of the adopted resolution. President Jacobsen suggested having two plaques so both sides of the family will have one.

M/S/C (Beberian/Prieto) That the Board of Directors approved Resolution 2018-10 as presented by Staff by the following roll call vote. (Ayes – Beberian, Woolf, Jacobsen, Porter, Prieto, Jr.; Nays – 0; Absent – 0; Abstain – 0)

b. Damage Claim Update - Richardson

Ms. Singh informed the Board that as of this time, FID has not received a claim. Payment of \$848.00 for clean-up, repair of irrigation lines, and removal of trees was made.

c. General Manager Interview Update

Ms. Singh reported the Personnel Committee would bring this item to the Board at August's meeting during Open Session.

d. CalPERS Open Enrollment Update (walk in)

Ms. Singh presented the 2019 Open Enrollment employee benefit costs.

Miscellaneous

In response to Director Beberian's inquiry, Ms. Hailey reported the 2018 annual dues to CSDA is \$6,842 and for ACWA it is \$21,905.

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DIRECTORS' REPORT

Director Beberian – none.

Director Woolf – shared the personal connection he had to a victim of a recent violent crime that happened on his street.

Director Jacobsen – none.

Director Porter – none.

Director Prieto – recently had 40 acres of almonds planted next to his house.

ADJOURNMENT

With no further business, President Jacobsen adjourned the meeting at 7:36 p.m.

Submitted By,



Gary R. Serrato
Secretary of the Board