

ACTION SUMMARY MINUTES
MINUTES OF THE BUDGET HEARING OF
THE BOARD OF DIRECTORS OF THE
FRESNO METROPOLITAN FLOOD CONTROL DISTRICT
HELD WEDNESDAY, JUNE 25, 2014

Pursuant to notice, the Budget Hearing of the Board of Directors of the Fresno Metropolitan Flood Control District was held Wednesday, June 25, 2014 at 6:00 p.m. in the Board Chambers of the Fresno Metropolitan Flood Control District at 5469 East Olive Avenue; Fresno, California.

DIRECTORS PRESENT: Jennette Williams, Chairman
Mike Rastegar, Vice-Chairman
Roy Spina
Kendall Groom
Barbara Goodwin
Buzz Burleson

DIRECTORS ABSENT: Frank Fowler

**STAFF, CONSULTANTS,
OTHERS PRESENT:** Bob Van Wyk, General Manager
Alan Hofmann, Interim District Engineer
Peter Sanchez, Interim Assistant District Engineer
Karyn Kruser, Staff Analyst
Daniel Rourke, Environmental Resources Manager
Larry Kalpakoff, Information Systems Manager
Paul Merrill, Finance Manager
Esther Schwandt, Clerk to the Board

Lauren Layne, Assistant General Counsel;
Baker, Manock & Jensen

PRESIDING: Director Williams, presiding as Chairman called the meeting to order at 6:00 p.m. and Director Groom led the Pledge of Allegiance.

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 2 OF 9**

2. REPORT OF THE GENERAL MANAGER:

Mr. Van Wyk reported on the following: (1) staff has received word from the Department of Water Resources and the U.S. Army Corps of Engineers approving the District to proceed with a portion of the Pup Creek Outlet Channel as a road in the City of Clovis; he noted the City of Clovis has incorporated this road into their street pattern to facilitate a subdivision; he stated staff will be bringing this item back to the Board at the July 9, 2014 Board Meeting, with a recommendation that the Board declare this road as excess property; he stated the District will retain access and all flowage rights; and (2) he reported Director Fowler has custody of his grandniece and will be returning home with her.

3. APPROVAL OF MINUTES: None Submitted

4. BUSINESS AND PRESENTATIONS FROM THE FLOOR:

There was no Business or Presentations from the Floor

5. ADDITIONS TO THE AGENDA:

There were no Additions to the Agenda.

6. POTENTIAL CONFLICTS OF INTEREST:

Director Goodwin noted potential Conflict of Interests with Agenda Items No. **8a. Authorization to Execute Standard Developer Agreement with Central Unified School District, Drainage Area "AL" (Weldon & Valentine);** and No. **12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (Number of Cases: 2),** and stated she would therefore be abstaining/recusing herself on these items.

7. PUBLIC HEARING: Adoption of Proposed Budget, Fiscal Year 2014-2015

a. Budgeted Revenues, Transfers and Fund Balances

Recommend the Board of Directors consider public comment and then close the Public Hearing with respect to Other Revenues and approve the Revenue Section of the Budget for inclusion in the Resolution adopting the final 2014-2015 Budget document.

Mr. Merrill began the Budget presentation.

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 3 OF 9**

Director Burluson stated he had met with staff to review the questions he had with respect to the Budget. He requested the Board double their efforts next year to attain a more balanced Budget, noting the District's revenues and expenses are not balanced as the expenses exceed the revenues. Director Burluson also requested that at a future Board Meeting, the issue of the Workman's Compensation item (\$109,000) be brought back to the Board for discussion regarding a District cost analysis and a safety plan, as he believed the costs were high, and he believed there were things that could be done to mitigate those costs.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:07 pm.

Approved as Recommended

Motion by: Spina Second by: Rastegar
Ayes: Williams, Rastegar, Spina, Groom, Goodwin
Noes: Burluson
Abstentions: None
Absentees: Fowler

b. Budgeted Expenditures:

(1) General Fund and Debt Service Fund

Recommend the Board of Directors consider public comment and then close the Public Hearing with respect to these expenditures and approve the expenditures portion of the Budget for inclusion in the Resolution adopting the 2014-2015 Budget.

Director Groom requested the Board, with respect to the Health Savings Account, look at possibly contributing to the employee's Health Savings Account as an incentive for employees to participate in a High Deductible Plan, as this will be a savings to the District and noted the ACWA/JPIA is contributing for their employees. Mr. Van Wyk stated the Administrative Committee took a look at the Health Savings Account, and stated they would support offering the plan; however, they did not believe the District should support any contributions into the plan. Director Williams stated this item could certainly be looked at again. Director Groom noted he believed contributing to the Plan would give employees an incentive to participate in the plan.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:12 pm.

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 4 OF 9**

Approved as Recommended

Motion by: Rastegar Second by: Groom
Ayes: Williams, Rastegar, Spina, Groom, Goodwin,
Noes: Burleson
Abstentions: None
Absentees: Fowler

(2) Budgeted Capital Improvements and Reserves

Recommend the Board of Directors review and confirms the presented 2014-2015 Budget. It is further recommended the Board direct such revisions as may be determined appropriate, and receive public comments, then close the Public Hearing with respect to Capital Expenditures and approve the Capital Projects Fund portion of the Budget for inclusion in the Resolution adopting the 2014-2015 Budget.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:14 pm.

Approved as Recommended

Motion by: Goodwin Second by: Burleson
Ayes: Williams, Rastegar, Spina, Groom, Goodwin, Burleson
Noes: None
Abstentions: None
Absentees: Fowler

(3) Adoption of 2014-2015 Salary Resolution

Recommend the Board of Directors give final approval to the Personnel Budget of \$8,873,110; further it is recommended the Board adopt the Salary and Employee Benefits Resolution for 2014-2015 as attached to the Board Memorandum.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:16 pm.

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 5 OF 9**

Approved as Recommended, Adopting Resolution No. 2014-794

Motion by: Spina **Second by:** Rastegar
Ayes: Williams, Rastegar, Spina, Groom, Goodwin
Noes: Burleson
Abstentions: None
Absentees: Fowler

c. Assessment Tax Zones of Benefit Boundaries and Levy of Assessment Tax to Fund 2014-2015 Annual Budget

1. Assessment Tax Zones

It is recommended the Board of Directors adopt the 2014-2015 Budget and confirm the Assessment Tax Levy, recognize and affirm the Zone of Benefit Boundaries established, therefore, and existing as of June 30, 2014.

2. Levy of Assessment Tax

It is recommended the Board of Directors consider public comment, then close the portion of the Public Hearing related to the Assessment Tax Levy and approve such revenues calculated pursuant to the amount required to fund the Budget approved by the Board of Directors, such rates set forth on Attachment No. 6, Table No. 5 for inclusion in the Resolution adopting the final 2014-2015 Budget Resolution as attached to the Board Memorandum.

It is further recommended that this action: (1) include the adoption and confirmation as the findings of the Board of Directors the data set forth above; and (2) incorporate into the public record all data herein described and considered by the Board pursuant to this memorandum, and data similarly considered by the Board of Directors which was presented during the Budget Workshop, the Budget Hearing, and also contained in the continuing Public Record established relative to the District's Assessment Tax Levy, and in consideration of the CIEDB Loan for Drainage Area "RR" and Drainage Area "II₁".

Finally, it is recommended the Board of Directors adopt the Assessment Tax Rates for 2014-2015 reflected on Attachment No. 6, Table No. 5. as attached to the Board Memorandum

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 6 OF 9**

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:18 pm.

Approved as Recommended

Motion by: Rastegar Second by: Goodwin
Ayes: Williams, Rastegar, Spina, Groom, Goodwin, Burleson
Noes: None
Abstentions: None
Absentees: Fowler

d. Adoption of Resolution Determining Prevailing Wages, 2014-2015

It is recommended the Board of Directors adopt the Resolution attached to the Board Memorandum establishing the 2014-2015 schedule of prevailing wages identified by the State of California Department of Industrial Relations, and any amendment thereof adopted by the State of California prior to June 30, 2015.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:19 pm.

Approved as Recommended, Adopting Resolution No. 2014-793

Motion by: Burleson Second by: Goodwin
Ayes: Williams, Rastegar, Spina, Groom, Goodwin, Burleson
Noes: None
Abstentions: None
Absentees: Fowler

e. Adoption of Resolution Adopting 2014-2015 Budget

It is recommended the Board of Directors affirm the findings, conclusions and determinations made and/or established during the consideration of the 2014-2015 Budget and adopt the Resolution, as attached to the Board Memorandum, adopting the 2014-2015 Budget, inclusive of the previously received agenda items.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:20 pm.

Approved as Recommended, Adopting Resolution No. 2014-795

**Motion by: Spina Second by: Groom
Ayes: Williams, Rastegar, Spina, Groom, Goodwin
Noes: Burleson
Abstentions: None
Absentees: Fowler**

f. Acceptance of Five-Year Financial Forecast

It is recommended the Board of Directors approve the Five-Year Financial Forecast.

Mr. Merrill noted the financial impact of the retirements of the General Manager and the District Engineer has not yet been determined, and thus was not included in the Five-Year Financial Forecast. Responding to Director Rastegar's question as to the potential impact, Mr. Merrill stated it would impact the Personnel salaries, as well as the benefit portion. Responding to Director Rastegar's subsequent question as to whether it would hypothetically be less or more, Mr. Merrill stated the financial impact would be less with the retirements.

Director Williams opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:22 pm.

Director Goodwin stated she would recommend this item be brought back to the Board once the positions are filled, and the potential financial impacts are known.

Approved as Recommended, and directed staff to bring the item back to the Board once the positions are filled, and the potential financial impacts are known.

**Motion by: Goodwin Second by: Spina
Ayes: Williams, Rastegar, Spina, Groom, Goodwin, Burleson
Noes: None
Abstentions: None
Absentees: Fowler**

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 8 OF 9**

8. CONSENT CALENDAR:

- a. Authorization to Execute Standard Developer Agreement with Central Unified School District, Drainage Area "AL" (Weldon & Valentine)
- b. Award of Contracts:
 - (1) Contract "DCE-1", Basin Fence (Annadale & Brawley)
 - (2) Contract "BL-12", Basin Fence Expansion (Armstrong North of Jensen)

Approved as Recommended

Motion by: Rastegar Second by: Groom
Ayes: Williams, Rastegar, Spina, Groom, Goodwin Burleson
Noes: None
Abstentions: Goodwin with respect to Item 8a
Absentees: Fowler

9. Board Reports, Workshops, Correspondence and Requests for Future Agenda Items:

No items were submitted.

REPORT OF GENERAL COUNSEL

Ms. Layne stated there were no items to report.

CLOSED SESSION

The Board then convened in Closed Session at 6:25 pm to consider the following:

11. PUBLIC EMPLOYMENT
Title: General Manager-Secretary
Pursuant to Government Code §54954.5

The Board then convened in Regular Session at 7:09 pm. Ms. Layne stated no reportable action was taken in Closed Session. The Board then recessed at 7:10 pm.

**FMFCD BUDGET HEARING MINUTES
WEDNESDAY, JUNE 25, 2014
PAGE 9 OF 9**

Director Goodwin recused herself from the proceedings due to a potential conflict of interest and left the dais and Board Meeting at 7:10 pm.

The Board then reconvened in Closed Session at 7:15 pm to consider the following litigation:

**12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of
Section 54956.9: (Number of Cases: 2)**

The Board then convened in regular session at 7:51 pm. Ms. Layne stated no reportable action was taken in Closed Session.

ADJOURNMENT

Adjourned Board Meeting at 7:51 pm.

**Motion by: Rastegar Second by: Spina
Ayes: Williams, Rastegar, Spina, Groom, Burleson
Noes: None
Abstentions: None
Absentees: Fowler, Goodwin**


ALAN HOFMANN
GENERAL MANAGER-SECRETARY

7/30/14
DATE