

ACTION SUMMARY MINUTES
MINUTES OF THE BUDGET WORKSHOP MEETING OF
THE BOARD OF DIRECTORS OF THE
FRESNO METROPOLITAN FLOOD CONTROL DISTRICT
HELD WEDNESDAY, JUNE 9, 2010

Pursuant to notice, the Budget Workshop Meeting of the Board of Directors of the Fresno Metropolitan Flood Control District was held Wednesday, June 9, 2010 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: Kendall Groom, Chairman
Roy Spina, Vice-Chairman
Richard Welton
Frank Franco
George Marcus
Jennette Williams
Mike Rastegar

DIRECTORS ABSENT: None

**STAFF, CONSULTANTS,
OTHERS PRESENT:**

Jerry Lakeman, District Engineer
Alan Hofmann, District Assistant Engineer/Design
Peter Sanchez, Operations Engineer
David Pomaville, Administrative Services Manager
Frances Lopez, Office Manager
Paul Merrill, Finance Manager
Daniel Rourke, Environmental Resources Manager
Shari Boggess, Human Resources Manager
Larry Kalpakoff, Information Systems Coordinator
Bob Notley, Senior Engineer Technician
Amjad Qader, Engineer
Karyn Kruser, Staff Analyst
Gary Newmark, Staff Analyst
Julia Norvell, Accounting Technician
Kristine Johnson, Staff Analyst
David Masters, Construction Technician
Patrick Bryan, Resources Technician
Carol Gerking, Accountant
Esther Schwandt, Clerk to the Board

Doug Jensen, General Counsel
Ken Price, Assistant General Counsel

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

2. REPORT OF THE GENERAL MANAGER

Mr. Lakeman reported on the following on behalf of the General Manager: (1) he reported Shari Boggess the District's Human Resources Manager has announced her retirement; Mr. Pomaville acknowledged Mrs. Boggess' work at the District; Director Groom then presented a letter of appreciation to Mrs. Boggess; Mrs. Boggess expressed her appreciation for the time she spent at the District; (2) he reminded the Board of the Tree Planting scheduled for this Saturday, June 12th at 8:00 am at Basin "CZ" (Chestnut & Alluvial); (3) Mr. Van Wyk's wife was hospitalized, thus the reason for Mr. Van Wyk's absence; (4) a report from the Ad Hoc Committee will be forthcoming; and (5) he distributed an email showing that the District had received the Drainage Fee from the Veteran's Administration Center of California.

3. APPROVAL OF MINUTES: No Minutes were submitted.

4. BUSINESS AND PRESENTATIONS FROM THE FLOOR:

Director Franco requested staff follow-up with the District's contractor as to the appearance of the Basin "D" Oso de Oro Lake noting he had received a complaint that the water had trash in it.

5. ADDITIONS TO THE AGENDA:

Recommend the Board add Carry Over of 2009-2010 Budgeted Projects to the Agenda.

Mr. Jensen noted this item came up after the preparation and distribution of the Agenda, therefore it would require Board action to add it to the Agenda, and determination that there was need for immediate action on this matter, and the need came to the attention of the District subsequent to the Agenda being posted.

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Approved as Recommended added as Agenda Item No. 9.c.(5)i.

Motion by: Spina Second by: Franco
Ayes: Groom, Spina, Franco, Marcus, Welton, Williams, Rastegar
Noes: None
Abstentions: None
Absentees: None

6. POTENTIAL CONFLICTS OF INTEREST:

There were no Conflicts of Interest.

7. PUBLIC HEARING:

There were no Public Hearings scheduled.

8. CONSENT CALENDAR:

None Scheduled

9. Presentation of the Draft Budget, Fiscal Year 2010-2011

Recommend the Board review the Budget and make any recommendations for changes which will be presented to the Board of Directors during the Budget Workshop.

Mr. Lakeman reviewed the process the staff has followed with respect to review of the Budget with the Board Committees. He noted it was also prepared with input from the District's partner agencies.

Mr. Pomaville began the review of the Budget as attached to the Board Packet. Mr. Merrill then reviewed the total Revenues portion of the Budget.

a. Total Revenues:

- (1) Property Tax Revenues
- (2) Assessment Tax Revenues
- (3) Interest and Rental Revenue
- (4) Income – Grants Loans and Contributions

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- (5) Income from Service Charges
- (6) Other Revenue
- (7) Drainage Fee Revenue

b. Expenditures; Operational and Administrative Expenditures:

- (1) Personnel Expense

Mr. Pomaville reviewed the Personnel portion of the Budget.

- (2) Office Administration

Mrs. Lopez reviewed the Office Administration portion of the Budget.

- (3) Management Support

Mr. Pomaville reviewed the Management Support portion of the Budget.

- (4) Insurance

Mr. Pomaville reviewed the Insurance portion of the Budget.

- (5) Professional Services

Mr. Pomaville reviewed the Professional Services portion of the Budget.

Director Welton expressed his concern with respect to the way Mr. Pomaville was describing the work the Financial Consultant will be asked to do, noting his belief that staff should first develop a needs list in-house before looking at re-designing a system. Mr. Pomaville concurred, noting staff will be bringing back a report to the Board specifying what the District will need; he noted staff will go through a well thought out approach as to the potential scope of work. Director Welton noted the importance of defining what you want to get out of the system and what your end product is beforehand.

- (6) PPDA Reimbursements

Mr. Pomaville reviewed the PPDA Reimbursements portion of the Budget.

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(7) Other Administrative Expense

Mr. Pomaville reviewed the Other Administrative Expense portion of the Budget.

(8) System Operations and Maintenance

Mr. Sanchez reviewed the System Operations and Maintenance portion of the Budget.

(9) Office Buildings Expense

Mrs. Lopez reviewed the Office Buildings Expense portion of the Budget.

(10) Stormwater Quality Management

Mr. Rourke reviewed the Stormwater Quality Management portion of the Budget.

(11) Debt Service

Mr. Pomaville reviewed the Debt Service portion of the Budget.

Director Franco expressed his thanks to the staff for the great job they have done and he thanked Mr. Jensen for Legal Counsel's effort in keeping our legal expenses down.

c. Capital Expenditures:

- (1) Office Buildings
- (2) Equipment

Mr. Pomaville reviewed the Equipment portion of the Budget. Mr. Kalpakoff reviewed the Computer Software & Hardware Equipment portion of the Budget.

Mr. Sanchez reviewed the Field Equipment portion of the Budget.

- (3) Land Appraisal and Acquisitions
- (4) Engineering
- (5) Improvements
 - i. Carry Over of 2009-2010 Budgeted Projects
- (6) Environmental Planning

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- (7) Master Plan Engineering
- (8) Unauthorized Projects

Mr. Hofmann reviewed the Capital Improvement Program.

Director Rastegar complimented staff with respect to the Capital Improvement document noting he was very impressed with it.

Director Franco noted the “Construction Fund Budget Recap & Summary” Table in the proposed Budget and in the Capital Improvements document does not match. Mr. Hofmann stated the correct Table is the one in the Budget and he would replace the one in the Capital Improvements document.

Recommend projects listed in the **Carry Over of 2009-2010 Budgeted Projects** Addition to the Agenda memo be included in the proposed Budget.

Approved as Recommended

Motion by: Rastegar Second by: Welton
Ayes: Groom, Spina, Franco, Marcus, Welton, Williams, Rastegar
Noes: None
Abstentions: None
Absentees: None

Mr. Sanchez then reviewed the Capital Improvements for the Rural Program.

d. PPDA Fund

Mr. Merrill reviewed the PPDA Fund portion of the Budget.

10. Board Direction of Final Budget Revenue, Expenditure and Reserve

Recommend the Board of Directors instruct staff as to specific changes to the Draft Budget, for preparation of the Final Fiscal Year 2010-2011 Budget for presentation at the June 23, 2010 Budget Hearing.

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Director Welton requested staff provide the Board at the Budget Hearing, a chart/graph schedule which projects month by month how staff insures adequate resources are available to cover expenses.

Director Rastegar stated when comparing information among various agencies with respect to COLAs (as shown on the table on page 35 of the Budget document), while other agencies may be getting a COLA, at the same time they may be given a reduction in hours, furloughs, cutbacks, etc. He stated he would like staff, especially for next year, to be more realistic and look at the whole picture when we look at this item. Director Rastegar also requested the following changes: (1) with respect to page 37 the table entitled "Comparison of Total Budgeted Personnel Costs by Fiscal Year", the table should be changed to show Estimated Actual leading up to that point rather than the Adopted Budget amount; and (2) with respect to page 38 the table entitled "Cost of Benefits by Year", the table should be changed to show under Disability Insurance and Life Insurance, instead of \$0 it should read N/A (non-applicable) as it was not in place during those years that have the \$0 amount.

11. Budget Workshop 2010-2011 Supplemental Information:

- a. Legal Authority for Budget Development, Adoption
- b. History of Assessment Tax Levies

Report submitted for informational purposes only, no action is required by the Board unless specific direction is to be given to staff.

As the report was submitted for informational purposes only, no further action was taken.

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

No Items were submitted.

REPORT OF GENERAL COUNSEL

13. Report on Administrative, Legislative and Real Estate Legal Services

Mr. Jensen reported on Legislative items of interest to the District.

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CLOSED SESSION

The Board then recessed at 7:56 pm and convened in Closed Session at 8:01 pm to consider the following litigation:

- 14. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to subdivision (b) of Section 95956.9:
Number of Cases: 1**

The Board then convened in regular session at 8:10 pm. Mr. Jensen stated no reportable action was taken in Closed Session.

ADJOURNMENT

Adjourned Board Meeting at 8:10 pm.

**Motion by: Franco Second by: Marcus
Ayes: Groom, Spina, Franco, Marcus, Welton, Williams, Rastegar
Noes: None
Abstentions: None
Absentees: None**


JERRY LAKEMAN
DISTRICT ENGINEER

6-17-10
DATE