

ACTION SUMMARY MINUTES
MINUTES OF THE BUDGET HEARING OF
THE BOARD OF DIRECTORS OF THE
FRESNO METROPOLITAN FLOOD CONTROL DISTRICT
HELD WEDNESDAY, JUNE 27, 2012

Pursuant to notice, the Budget Hearing of the Board of Directors of the Fresno Metropolitan Flood Control District was held Wednesday, June 27, 2012 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: Roy Spina, Chairman
Jennette Williams, Vice-Chairman
Kendall Groom
Mike Rastegar
Barbara Goodwin
Frank Fowler
Buzz Burleson

DIRECTORS ABSENT: None

STAFF, CONSULTANTS,

OTHERS PRESENT: Bob Van Wyk, General Manager-Secretary (left at 6:19 pm)
Jerry Lakeman, District Engineer
Alan Hofmann, Assistant District Engineer/Design
Peter Sanchez, Operations Engineer
Frances Lopez, Office Manager
Paul Merrill, Finance Manager
Karyn Kruser, Staff Analyst
Daniel Rourke, Environmental Resources Manager
Larry Kalpakoff, Information Systems Coordinator
Carol Gerking, Accountant
Esther Schwandt, Clerk to the Board

Doug Jensen, General Counsel; Baker, Manock & Jensen
Ken Price, Assistant General Counsel;
Baker, Manock & Jensen (arriving at 6:10 pm)

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

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2. REPORT OF THE GENERAL MANAGER:

Mr. Van Wyk reported on the following: (1) the Clerk to the Board would be contacting the Board Members as to their availability for a Luncheon recognizing John Smith for his contributions to the District; (2) he distributed copies of the Economic Development Corporation (EDC) Newsletter; (3) he reported the Attorneys representing RailAmerica/San Joaquin Valley Railroad had removed the District's Petition for Order Permitting Entry on Property (Basin "CC") from State Court to Federal Court; Mr. Jensen stated his office would continue working through the process with the Courts; (4) he distributed a letter from the District to the Auditor-Controller/Treasurer Vicky Crow of the County of Fresno, regarding Property Tax Pass Through Revenues – Chinatown Development Project; and (5) he distributed a letter from the District to the Water Resources Institute Director for University Partnerships regarding the California State University Water Resources Institute Grant Application to USDA National Integrated Water Quality Program; the letter expresses the District's support for the Grant application.

3. APPROVAL OF MINUTES: Meetings of May 23, 2012; June 6, 2012 and June 7, 2012

Due to their absence at the May 23, 2012 Board Meeting, Directors Groom and Goodwin abstained on the Minutes of May 23, 2012; Due to her absence at the June 6, 2012 Board Meeting, Director Williams abstained on the Minutes of June 6, 2012; and Due to his absence at the June 7, 2012 Board Meeting, Director Groom abstained on the Minutes of June 7, 2012.

Approved as Recommended, with Abstentions as noted

Motion by: Rastegar Second by: Fowler
Ayes: Spina, Williams, Groom, Rastegar, Goodwin, Fowler, Burleson
Noes: None
Abstentions: Groom and Goodwin abstained on the Minutes of May 23, 2012; Williams abstained on the Minutes of June 6, 2012; and Groom abstained on the Minutes of June 7, 2012
Absentees: None

4. BUSINESS AND PRESENTATIONS FROM THE FLOOR:

There was no Business or Presentations from the Floor

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5. ADDITIONS TO THE AGENDA:

There were no Additions to the Agenda.

6. POTENTIAL CONFLICTS OF INTEREST:

There were no Conflicts of Interest.

CLOSED SESSION

The Board then convened in Closed Session at 6:05 pm to consider the following:

12. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Per Government Code Section 54954.4:

- a. Title: Finance Manager
- b. Title: Information Systems Coordinator

The Board then reconvened in regular session at 6:16 pm. Mr. Jensen stated no reportable action was taken in Closed Session.

7. PUBLIC HEARING: Adoption of Proposed Budget, Fiscal Year 2012-2013

a. Budgeted Expenditures:

(1) Administration, Operation and Maintenance

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 final 2012-2013 Budget.

Mr. Van Wyk noted due to a family emergency he would need to leave the Budget Hearing. Mr. Merrill then began the Budget presentation.

Director Burleson stated his belief the Board would need to look at the Health Care costs this next year, as they have continued to grow, noting he would like to see the District deflect those expenses and suggested the Board may have to consider some alternative cost saving measures looking at all options to controls costs, i.e. future employees would not receive health care when they retire, cafeteria plans, additional shared costs measures, etc.

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Director Rastegar reiterated his comments made at the Budget Workshop with respect to District health care costs, noting his belief this item needs to be reviewed every year by the Board, as a lot of assumptions were used in developing the Five Year Financial Forecast and the Board would need to see whether those assumptions prove to be accurate. Also, in attempting to control costs, Director Rastegar noted the need to look at the benefits the District offers.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:29 pm.

Approved as Recommended

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

(2) Budgeted Capital Improvements and Reserves

Recommend the Board of Directors review and confirm the Capital Expenditures presented in the 2012-2013 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 Reserves, and approve the Capital and Reserves portion of the Budget for inclusion in the Resolution adopting the 2012-2013 Budget.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:32 pm.

Approved as Recommended

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

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b. 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 2012-2013 Budget document.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:35 pm.

Approved as Recommended

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

c. Assessment Tax Zones of Benefit Boundaries

Recommend the Board of Directors adopt the 2012-2013 Budget and confirm the Assessment Tax Levy, recognize and affirm the Zone of Benefit Boundaries established, therefore, and existing as of June 30, 2012.

Mr. Merrill noted one correction to the recommendation shown in the Board Memorandum, specifically “. . . and existing as of June 30, 2013” should be “. . . and existing as of June 30, 2012”.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:37 pm.

Approved as Recommended

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

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d. Levy of Assessment Tax to Fund 2012-2013 Annual Budget

Recommend 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. 5, Table No. 5 for inclusion in the Resolution adopting the final 2012-2013 Budget Resolution.

It is also recommended that this action: (1) include the adoption and confirmation as the findings of the Board of Directors the data set forth in the Board Memorandum; and (2) incorporate into the public record all data described and considered by the Board pursuant to the Board 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 "II₁".

Finally, it is recommended the Board of Directors adopt as the Assessment Tax Rates for 2012-2013 the rates reflected in the Board Memorandum on Attachment No. 5, Table No. 5.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:41 pm.

Approved as Recommended

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

e. Adoption of Resolution Determining Prevailing Wages, 2012-2013

Recommend the Board of Directors adopt the Resolution attached to the Board Memorandum establishing the 2012-2013 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, 2013.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:45 pm.

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Approved as Recommended, Adopting Resolution No. 2012-746

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

f. Adoption of 2012-2013 Salary Resolution

Recommend the Board of Directors give final approval to the Personnel Budget of \$8,402,589; further it is recommended the Board adopt the Salary and Employee Benefits Resolution for 2012-2013 as attached to the Board Memorandum.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:45 pm.

Approved as Recommended, Adopting Resolution No. 2012-747

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

g. Adoption of Resolution Adopting 2012-2013 Budget

Recommend the Board of Directors affirm the findings, conclusions and determinations made and/or established during the consideration of the 2012-2013 Budget and adopt the Resolution adopting the 2012-2013 Budget, inclusive of the previously received Agenda items.

Mr. Merrill noted one change to the proposed Resolution, page 7, paragraph 6, beginning “. . . 2013 is hereby adopted in the amount of \$23,598,524 for expenditures and \$5,537,691 for Transfers”. Should be changed to “. . . 2013 is hereby adopted in the amount of \$23,598,524 for expenditures and \$5,537,961 for Transfers.”

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:48 pm.

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Approved as Recommended with the above noted correction, Adopting Resolution No. 2012-748

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

h. Acceptance of Five-Year Financial Forecast

Recommend the Board of Directors approve the Five-Year Financial Forecast.

Director Spina opened the Hearing for Public Comment, there being none, the Public Comment portion of the Hearing was closed at 6:52 pm.

Approved as Recommended

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

8. CONSENT CALENDAR:

a. Award of Contract "UU₃-30", Pipeline (Hughes, Dudley to Pine)

Approved as Recommended

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

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9. Authorization to Extend Payment Period for Easement Settlement Agreement, Gary McDonald Homes, Drainage Area "DE" (Copper & Maple)

Recommend the Board of Directors authorize McDonald Homes be permitted until July 16, 2012 to make payment including the \$203.77 interest charge.

Approved as Recommended

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

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

No items were submitted.

REPORT OF GENERAL COUNSEL

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

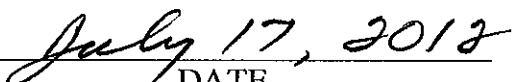
ADJOURNMENT

Adjourned Board Meeting at 7:04 pm.

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



BOB VAN WYK
GENERAL MANAGER/SECRETARY



DATE