

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 8, 1986:

The meeting was called to order at 1:35 p.m. with the following Director and Officers present:

Directors	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	James O. Orlopp
	Stanley C. Beach
	Richard D. McFarlin
Others	Richard M. Moss, Engineer-Manager-Secretary

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, December 11, 1985, were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$54,962.85 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The Board reviewed the Monthly Report. Engineer-Manager Moss noted that the values shown for maintenance charges are the same as used in billings to the landowners. The average cost per acre for Maintenance in 1985 was \$8.80. The average cost per acre for Maintenance in 1984 was \$11.11. This difference reflects the change in accounting procedures, which resulted in a more accurate measurement of the actual cost to perform maintenance on the District's pipelines. The rainfall for the month of December was considerably below normal. However, the seasonal total is still above normal. The long range forecast, as provided by the Scripps Institute of Oceanography, indicates above normal rainfall for the December thru February period.

Engineer-Manager Moss briefed the Board on the status of the take-over of operations and maintenance on the Friant-Kern Canal. Recent meetings of the Friant Water Users Authority have centered around the drafting of a letter to the Bureau of Reclamation detailing the Authority's "bottom line" requirements for taking over of the canal. The Authority and the Bureau have been unable to reach consensus on a number of key issues including:

1. The use of the Performance Work Statement as part of the Contract Document.
2. The right of the Authority to continue operating and maintaining the canal past the termination of the proposed Agreement.
3. The ability of the Authority to sub-contract some of the work to its member agencies.
4. The inclusion in the contract of a process to resolve disputes between the Authority and the Bureau.
5. The reimbursement of start-up costs of the Authority.
6. The assurance that the Authority will be paid for all work performed.

The Authority has not selected a manager, but is in the process of interviewing and defining the salary and benefits to be offered. The Bureau is providing a tour of the canal and appurtenances on the 8th and 9th of January.

The Board reviewed the status of the Third Intertie or the California-Oregon Transmission Project. Recent meetings and letters from the engineering, legal and financial consultants for the Southern San Joaquin Valley Power Authority indicate the project appears to be feasible and worth continued interest and investment. The Board reviewed the proposed budget for the Power Authority and the estimate of the District's share in those expenses. On a motion by Director Ketscher, seconded by Director Orlopp, the Board authorized the continued participation in the Southern San Joaquin Valley Power Authority and the California-Oregon Transmission Project. The Board authorized the payment of \$3,213.00 and notification to the Southern San Joaquin Valley Power Authority of the District's continued interest. Motion carried.

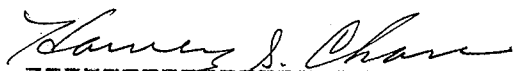
The Board reviewed the policy for the delivery of irrigation water. The Board directed Engineer-Manager Moss to use the same Rules and Regulations as in the past with some minor editorial changes. The Board also requested a section discussing the problems associated with tailwater runoff be added.

Engineer-Manager Moss presented alternatives for setting the final cost of water for the 1985 water year. The overall estimate of costs for water are close to the final costs in all areas except Water Delivery Charge. The actual interest earned on the water deposits was considerably less than the amount estimated. This short-fall can be overcome by the use of the Operations Reserves. The estimated cost to deliver water was \$2.35 per acre foot. The final cost was \$3.10 per acre foot. The Board directed Engineer-Manager Moss to charge \$2.75 per acre foot for the delivery of water and fund the balance out of the Operations Reserves. The Board also directed Engineer-Manager Moss to charge \$3.00 per acre foot for the estimated Delivery Charge for the 1986 water year. This was then formalized into a motion by Director Ketscher, seconded by Director Beach. Motion carried. The Budget for 1986 should be modified to reflect this change.

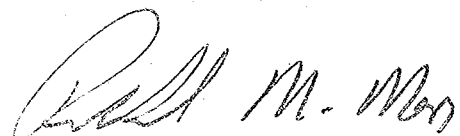
Engineer-Manager Moss informed the Board that a meeting between representatives of the Bureau of Reclamation, district staff's directors and consultants for the Lindsay-Strathmore, Lindmore, Terra Bella and Orange Cove Districts will be held on Friday, January 10th. The purpose of the meeting is to acquaint the Bureau with the individuals who will be responsible for the renegotiation of the water service contracts. Stan Beach agreed to represent the Board at this meeting. Moss will also attend.

Moss briefed the Board on recent discussions at the last Friant Water Users Association meeting where the clarification was made that the individual districts will be carrying the negotiations and Friant Water Users Association will be assisting when asked. Otherwise the Association should monitor the negotiations from the side line. This clarification was also made by Rex Purcell, President of Lindsay-Strathmore Irrigation District and representatives of other districts.

With no further business to discuss the meeting was adjourned at 3:45 p.m.



Harvey S. Chase, President



Richard M. Moss, Secretary

CONSENT TO SPECIAL BOARD MEETING

We, the undersigned, constituting the Board of Directors of the Orange Cove Irrigation District, do hereby consent to a Special Meeting of the Board of Directors of the Orange Cove Irrigation District to be held in the Office of the District February 21, 1986 at 2:00 P.M. for the purpose of interviewing candidates for the position of Manager of the Orange Cove Irrigation District.

Dated this 21st day of February, 1986.

Directors Harry J. Chase

W. Ketchum

Stanley Beard

Bob McFate

James Deloye

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, February 12, 1986:

The meeting was called to order at 1:35 p.m. with the following Directors and Officers present:

Directors	Harvey S. Chase, President Donald W. Ketscher, Vice President James O. Orlopp Stanley C. Beach
Others	Richard D. McFarlin Richard M. Moss, Engineer-Manager-Secretary

The Minutes of the Regular Meeting of the Board of Directors held on Wednesday, January 8, 1986, were approved as mailed on a motion by Director Orlopp, seconded by Director Beach. Motion carried.

Bills in the amount of \$45,858.06 were read, approved and ordered paid on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

The Monthly Report was presented. The rainfall for January was below normal. However, the rainfall for the season is still above normal. The latest forecast for runoff on the San Joaquin River indicates an April-July runoff of 85% of normal or 1,049,000 acre feet and a Water Year runoff of 86% of normal or 1,507,000 acre feet. Class I has been declared to 100% and Class II has been declared to 25%. Rains that have been received in the early part of February should change the forecast considerably. Engineer-Manager Moss estimated that the Water Year would come in at about 120% of normal if we received no more rainfall after this current set of storms.

The Board Meeting was moved into Executive Session to discuss personnel matters. The Regular Board Meeting reconvened at which time it was announced that Engineer-Manager Moss has accepted a position as General Manager of the new Friant Water Users Authority and would be leaving the employ of the District, around May 1st. The Board also noted that Engineer-Manager Moss would be working part-time for the Authority in the interim and his time would be billed to the Authority at the custom rate established by the District. The Board directed Engineer-Manager Moss to begin a search for his replacement and to solicit resumes from any interested individuals.

Engineer-Manager Moss briefed the Board on the status of the Friant Water Users Authority. Action taken at the last Authority Meeting, and last Friant Water Users Association meeting, called for the inclusion of the Association function into the

Authority's activities and the elimination of the Association. A deadline for this merger of December 31, 1986 was established. A committee made up of both members of the Association and the Authority will be formed in the near future to handle the transition. The Authority has made a call for additional funds to carry on their activities through to May 1st, 1986. On a motion by Director Ketscher, seconded by Director Beach, the call for funds in the amount of \$1,537.60 was approved and ordered paid. Motion carried. The Cooperative Agreement with the United States for the take-over of operation and maintenance of the Friant-kern Canal is nearing completion and a draft is expected to be in front of the member agencies sometime in February for their review, with signing of the Agreement anticipated at the February Board Meeting of the Authority. Agreement has been reached on most of the critical issues that were previously outstanding.

Engineer-Manager Moss presented the Board with his recommendations for the purchase of some needed equipment for the District. On a motion by Director Ketscher, seconded by Director McFarlin, the Board authorized the purchase of two pickups and authorized Moss's signing of all necessary paper work to purchase these pickups through the State Bid, State of California. (See Resolution 1-86). Motion carried. On a motion by Director Ketscher, seconded by Director Orlopp, the Board authorized the purchased of four hand held radios from Vincent Communications at a price of approximately \$600.00 each. Motion carried, with opposition noted by Director Beach. Moss presented the case for the purchase of a new copy machine as well as a typewriter for the office. The Board directed Moss to wait on the purchase of these items and to further justify the need for this equipment. Engineer-Manager Moss notified the Board that there would be a considerable amount of miscellaneous hand tools purchased over the next couple months for use by the watertenders and maintenance personnel. Moss also reported on the action he has taken to insure that these tools and any existing hand tools will remain with the District and not lost, misplaced or stolen.

Engineer-Manager Moss reviewed the status of the Kings River Siphon Hydroelectric Project for the Board. The preliminary permit for the project has been issued by the Federal Energy Regulatory Commission (FERC) with effective date of January 1, 1986. This permit allows the District to study the project for a period of 18 months with certain reports being filed with FERC along the way. It is also the first step in obtaining a license for the project. Tudor Engineering is about ready to file for the license on behalf of the District. There has been no adverse comments on the project to-date. The principle respondent has been the Bureau of Reclamation with their primary concerns being the safeguarding of of the Canal and the non-interruption of flow during power plant operation.

The Board then reviewed the Environmental Review Process required by the Environmental Quality Guidelines as adopted by the District and determined that the project appeared to be exempt

under Section 15328 of the California Administrative Code, as a Class 28 Exemption. Engineer-Manager Moss noted that he is awaiting a letter from Tudor Engineering verifying the application of this exemption. On a motion by Director Beach, seconded by Director McFarlin, the Board took action to identify the project as being exempt and to file with the County Clerk of Fresno a Notice of Exemption for the project, pending the receipt of the letter from Tudor Engineering. This notice should also be filed with the State Water Resources Control Board as part of a water rights application. Motion carried. (See Resolution 3-86).

The Board reviewed the status of the Cove Avenue upgrading project and mainline replacement for Improvement District # 3-A. The County appears to continue to be on tract with the concept of paying for part of the replacement of the ID #3A mainline in lieu of the cost to relocate a portion of the mainline effected by the road construction. The County has held an informational meeting with landowners of the area in which this concept was fully discussed. The general indication from the landowners of ID #3-A is one of willingness to take advantage of the County's offer and use this money to offset their mainline replacement cost. Some money is now needed for development of a preliminary cost estimate and design for the alternatives presented by the County and to begin negotiations with the County on an agreement for this work. Also, the formation of an Improvement District is a necessary step in this process and that these papers should also be prepared as soon as possible. On a motion by Director Ketscher, seconded by Director Beach, the Board authorized Moss to retain the Engineering Consultanting Firm of Sorenson & Keller to assist in the preparation of the preliminary cost

estimate and plans as well as to direct Attorney Doug Jensen to review the Formation Petition as presented by the Improvement District 3-A Landowners for adequacy. This preliminary work should be done at a cost of no more than \$15,000.00. Motion carried.

It was noted that, it is anticipated any money fronted on behalf of #3-A by the District would be returned to the District upon successful financing of the pipeline rehabilitation.

The Board then reviewed a letter from Dan Lange which spoke to many of the concerns regarding the Improvement District 3-A pipeline and the road reconstruction. The Board felt that the actions that they have taken today should comply with many of the requests that were made by Mr. Lange. The Board discussed wheeling water to property outside of the District. In this particular case, Mr. Lange would like to participate in the Cove Avenue pipeline in order to secure delivery capacity for some property which is currently outside the District's boundaries. The Board had little problem with the concept of wheeling water through District facilities as long as a fair consideration was made for any additional cost involved. The Board directed Moss to present this concept to Attorney Doug Jensen for his review.

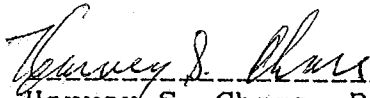
Engineer-Manager Moss informed the Board that the District has recorded the Collectors Deed on the Bumanglag property with the County of Tulare and that a decision should be made in the not too distant future concerning the disposition of this property. The Board directed Moss to make another attempt to contact the landowner involved and impress upon him the need to clear the bill with the District.

The Board reviewed the Supplemental Joint Powers Agreement that has been presented for their approval by the Friant Power Authority. This agreement allows for additional projects such as the Little Dry Creek Siphon Project and the Fish Release Project. The Orange Cove Irrigation District will participate in any new projects as an equal member and any previously contemplated projects on the same basis that they participate in the original project. On a motion by Director Ketscher, seconded by Director Beach, the Board authorized the President and Secretary of the District to sign a resolution approving the Supplemental Joint Powers Agreement for the Friant Power Authority. Motion carried. (See Resolution 2-86).

The Board reviewed requests from numerous landowners for consideration of waiving the delinquent penalty on the Maintenance payment which was due January 31st. Many of the landowners indicated they never received their billings. The District has records that show the billings were prepared and all billings were mailed first class to the landowners. The general problem of mail delivery to rural areas has caused problems for receipt of these billings in the past. The Board directed Moss to waive the delinquent penalties for those landowners who pay after January 31st and prior to the March 1st, 1986. A notice of this information should be sent to all landowners delinquent with their 1985 Maintenance Payment. The Board noted that this is a one-time occurrence and should not set any precedent for future delinquencies.

Engineer-Manager Moss reviewed the need for the District to obtain an appraisal on their property and plant at the District office. On a motion by Director McFarlin, seconded by Director Beach, the Board directed Moss to hire GAB Business Services Incorporated to perform the appraisal at a cost not to exceed \$750.00. Motion carried.

With no further business to discuss the meeting was adjourned at
4:40 p.m.



Harvey S. Chase, President



Richard M. Moss, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, March 12, 1986.

The meeting was called to order at 1:40 P.M. with the following Directors and Officers present:

Directors:	Harvey S. Chase, President Donald W. Ketscher, Vice-President James O. Orlopp Stanley C. Beach Richard D. McFarlin
Others:	Richard M. Moss, Engineer-Manager Secretary

The Minutes of the Regular Meeting of the Board of Directors held on Wednesday, February 12, 1986, were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$118,181.81 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

The Monthly Report was presented. The rainfall for February was considerably above normal for all stations reporting. The forecast for runoff on the San Joaquin River indicates an April-July runoff of 170% of normal or 2,100,000 acre feet and a water year runoff of 184% of normal or 3,200,000 acre feet of water. Class I has been declared to 100% and Class II has also been declared to 100%. It was noted that rainfall from the last storm in the early part of March has delivered 3 inches of water in addition to the amounts shown for the Orange Cove station.

Engineer-Manager Moss noted that there are a number of Class II Districts in the position of selling their Class II supply in excess of their needs during the obligation period for spring runoff. This presents an opportunity to purchase water at \$1.50 per acre foot. The Board discussed the possibility of buying some of this water and banking our excess Class I supply with a large Class II contractor that also has a Class I supply for use by the District in years of less than 100% Class I. The Board directed Moss to pursue this concept with some Class II contractors to determine their interest.

The Board meeting was moved into Executive Session to discuss personnel matters. The Regular Board Meeting reconvened at which time it was announced that additional interviews for the position of General Manager for the District would take place on April 10th. Engineer-Manager Moss was directed to contact Mrs. Bricker, Green, Edwards and Deiter for interviews on the April 10th date, starting at or about 1:00 P.M. in the afternoon.

The Board turned its attention to the matter of the Friant Water Users Authority. The Cooperative Agreement for the performance

of the operation and maintenance of the Friant-Kern Canal was discussed. Direction was given to authorize the signature of the Agreement pending obtaining adequate liability insurance coverage. It was also noted that Attorney Jensen had not reviewed the Agreement in its entirety and that his comments should be incorporated as well.

Engineer-Manager Moss reviewed the status of the combining of the Association function into the Authority. The date of July 1st has been set as the target date for the Authority to assume the activities of the Association under the direction of the Authority General Member Board of Directors. It has been recommended that Jim Sorenson be asked to continue on in a consulting function for the Authority as well.

The status of the Friant Power Project was then discussed. The main projects are now all up and running. Testing for the Friant-Kern Outlet is continuing and is expected to be complete sometime this month.

A proposal for the development of the Friant-Kern #2 Outlet was presented by the Bechtel Corporation earlier this week. Bechtel apparently feels that this project is still a good project and is willing to develop the project on a "turn-key" basis. Further review of the proposal is required before moving ahead.

Development of the Fish Release Project is continuing. A preliminary permit has been obtained for the Little Dry Creek Siphon Project as well.

A \$300.00 call - for - funds was made for the Little Dry Creek Project and a \$200.00 call- for- funds was made on the Fish Release Project during the last Friant Power Authority Board Meeting. On motion by Director Beach, seconded by Director Ketscher, the payment of the call- for- funds of \$300.00 for the Little Dry Creek Project and \$200.00 for the Fish Release Project was approved. Motion carried.

Engineer-Manager Moss briefed the Board on the status of the Kings River Siphon Project. A meeting was held last week between the Bureau of Reclamation, Engineer-Manager Moss, Attorney David Minasian and representatives from Tudor Engineering, concerning the requirements for development of this project. The Bureau needs to enter into an agreement to reimburse them for their expenses involved in analyzing the project design and development of the lease agreement for the District to use the site. The process for entering into this agreement requires the District to initially request the agreement. Moss will be preparing a letter requesting the reimbursable agreement in the near future.

The Board further discussed the environmental questions still outstanding on the Kings River Siphon Project. In particular the potential for disturbing some habitat of the Giant Gartner Snake, a rare and endangered species. The Board was apprised of

the need to seek an expert opinion as to the possible effect of the construction on the habitat in question. A specialist is being sought by Tudor Engineering to perform any needed studies.

The Board then discussed the possibility of merging this project into the Friant Power Authority at the appropriate percentage so as to reflect the District's investment to-date and it's expected return. The Board directed Moss to enter into discussions with the District's attorney for the project, David Minasian, and the other members of the Friant Power Authority to determine what the benefits and disadvantages would be to making the project part of the Friant Power Authority.

The Board discussed the status of the Cove Avenue Project. Engineer-Manager Moss presented a proposal prepared by the Sorenson & Keller Consulting Civil Engineering Firm to provide the preliminary engineering and work needed to form an improvement district and enter into an agreement with Fresno County Public Works for the relocation and replacement of the Improvement District 3A pipeline that is adjacent to Cove Avenue. The proposal estimates the engineering expenses to total \$7,700.00. The Board directed Moss to give the Sorenson & Keller Firm the go-ahead to assist the District on the project using their current hourly rates, at a cost not-to-exceed \$7,700.00. They also requested that work orders be drafted which set the not-to-exceed costs and outline the scope of the work to be performed.

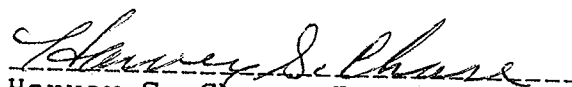
Moss reported on a meeting held with the County where they further discussed the two alternatives for the alignment of the new Cove Avenue and their potential effect on the need for the District to relocate the pipeline. Further work is required to establish an amount which the District and the County can agree to as the cost associated with relocating the pipeline at the expense of the County. It is anticipated that these funds then be used to offset a portion of the cost of replacing the entire pipeline along Cove Avenue.

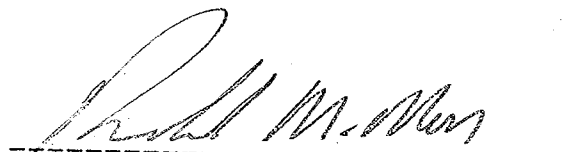
The Board reviewed the status of the Southern San Joaquin Valley Power Authority and the proposed amendments to the Joint Powers Agreement. The amendment provides for the sharing of costs and benefits accruing to the Authority in accordance with the previously adopted contribution factors. It also provides that the voting by Directors will be by the same percentage factors. The Board had some concern surrounding the ability of the larger districts to "block" vote and control the decisions of the Authority contrary to the feeling of the majority of the districts. On a motion by Director Ketscher, seconded by Director McFarlin, the Board authorized the signing and approval of the amendment to the Joint Powers Agreement by the President and Secretary of the Orange Cove Irrigation District Board pending resolution of the block voting issue. A proposal was reviewed that has been prepared by the Lower Tule River Irrigation District which outlines a program that would prevent the block voting from occurring. The Board felt that this

adequately addressed the problem and would support its inclusion in the amendment. The Board indicated its willingness to review any other proposals that would similarly address this issue.

Engineer-Manager Moss discussed with the Board a upcoming meeting with the Bureau of Reclamation concerning the renegotiation of the District's Water Supply Contract. This meeting is being called by a number of the districts that will be the first or early districts to have their contracts renegotiated. It is hoped that this meeting will outline the process and procedures to be followed during the renegotiations.

With no further business to discuss the Board meeting was adjourned at 4:30 P.M.


Harvey S. Chase, President


Richard M. Moss, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 9, 1986.

The meeting was called to order at 1:40 P.M. with the following Directors and Officers present:

Directors: Harvey S. Chase, President
Donald W. Ketscher, Vice President
James O. Orlopp
Stanley C. Beach
Richard D. McFarlin

Others: Richard M. Moss, Engineer-Manager-Secretary

The Minutes of the Regular Meeting of the Board of Directors held on Wednesday, March 12, 1986, were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$49,507.30 were read, approved and ordered paid on a motion Director McFarlin, seconded by Director Orlopp. Motion carried.

The Monthly Report was presented. The precipitation for the month of February was above normal for all stations reporting. The forecast for runoff on the San Joaquin River was noted at 170% of normal for the April-July period and 184% of normal for the water year. Class I and Class II supplies remained declared at 100%. The District used a total of 8 acre feet for the month of March.

The status of the Friant Water Users Authority was then discussed. The Board reviewed the position had been taken by the Tulare Irrigation District in regard to the Cooperative Agreement. Engineer-Manager Moss noted that a meeting is scheduled between Members of the Authority and the Bureau of Reclamation to try and resolve the issues that were presented in both the Tulare Irrigation District position as well as the letter that was forwarded to the Bureau on March 17th by the Authority.

Discussion then moved to the review of the proposed Amendment to the Joint Powers Agreement for the Authority. The Amendment provides for changes in the Agreement concerning the Authority's purpose, the Officers and their voting procedure, the participation percentages of both the O & M and General Members, the Budget, the description of the project and the relationship between the Authority and its members where an agreed upon share of liability is made. On a motion by Director Ketscher, seconded by Director Beach, the Board approved the signing of the Amendment to the Joint Powers Agreement of the Friant Water Users Authority and directed the staff to forward the signed Amendment to the Authority. Motion carried. (See Resolution 4-86.)

Engineer-Manager Moss presented to the Board recent endorsements that have been applied to the Districts liability insurance policy through ACWA/Joint Powers Insurance Authority (JPIA). New limitations have been placed on the Errors and Omissions coverage as well as the Auto and Generally Liability policy where more than one district is involved in an incident. These endorsements have been agreed to by the Executive Committee of JPIA and are now in effect. Moss noted that a discussion of these endorsements is planned at both the Executive Committee meeting and the Board of Directors meeting to be held on May 5th & 6th in Monterey.

Engineer-Manager Moss presented to the Board a petition he had received from Mr. John Walters in Improvement District 1B, whereby Mr. Walters has requested to have his property removed from the improvement district. The Board discussed the petition and the obligations remaining of Improvement District 1B and its

landowners. On a motion by Director Orlopp, seconded by Director Beach, the Board denied Mr. Walters petition for removal from Improvement District 1B and directed Engineer-Manager Moss to forward a letter to Mr. Walters of their decision. Motion carried.

Engineer-Manager Moss discussed the status of the Kings River Siphon Hydroelectric Project. Currently the license is ready to be filed for the project pending the outcome of a review by a herpetologist on the possibility of disturbing habitat of the Giant Garter Snake, a rare and endangered species. Moss informed the Board that he had tentatively retained the herpetologist to prepare the report at a cost of approximately \$500.00.

Moss then presented a draft of an agreement for the retention of a financial consultant to assist in the development of the Project. The agreement, as drafted by Attorney Minasian, calls for compensation for services provided by the financial consultant on a monthly invoice basis, at an agreed to hourly rate. This form of compensation is somewhat different from the normal compensation for a financial advisor on a project of this sort. Normally the financial consultant's fee is built into the bond issue at construction financing. Moss asked that the Board review this agreement and supply him with any comments they have by the next Board meeting.

The Board then reviewed the status of Friant Power Project, in particular the Friant-Kern #2 proposal for development made by Bechtel Engineering. The Board reviewed the proposed Memorandum of Understanding between the Friant Power Authority and Bechtel Engineering. This Memorandum of Understanding is still being negotiated and will be reviewed in further detail at the next meeting of the Friant Power Authority.

The Board reviewed the status of the Southern San Joaquin Valley Power Authority and the effort to obtain a portion of the Third AC Intertie power line capacity. The Authority is nearing

agreement with Pacific Gas & Electric Company on their use of the Authority's Intertie capacity in exchange for a rate reduction in the district's power cost. Apparently there is agreement between the Authority and P.G. & E. on the procedure to follow to determine the benefit payment for use of the Authority's Intertie capacity, but there remains some question as to whether P.G. & E. will use all of the Authority's capacity or a proportionate amount which reflects the area of the Authority which is served by P.G. & E. Further negotiations are pending.

Engineer-Manager Moss then reviewed for the Board the status of the Cove Avenue Project for Improvement District #3-A. A draft formation petition has been received from Attorney Jensen's Office, needing only further verification of the owners of record of the property within the boundaries of Improvement District #3-A. These record owner guarantees will be provided by a title company and the Irrigation District will be billed directly for their services. Moss reported that a recent meeting with staff of the Fresno County Public Works Department has resulted in agreement for the contents of a Memorandum of Understanding between the Orange Cove Irrigation District Improvement District #3-A and the County of Fresno for the relocation and replacement of the Cove Avenue Pipeline. This agreement calls for the sharing by the County of the relocation and replacement cost of the pipeline in the amount of 38 percent, with a total cost not to exceed of approximately \$120,000.00. The County is making the first effort to draft the Memorandum of Understanding and it should be available to the District within the next couple of weeks.

Attendance at the up-coming ACWA Conference was then discussed. Director Ketscher and Director McFarlin indicated that they would not attend. This leaves only President Chase, Directors Beach and Orlopp and Engineer-Manager Moss to attend on behalf of the Orange Cove Irrigation District.

The Board then asked Engineer-Manager Moss to inform Mr. Bricker that the interview for the position of General Manager of the District had been postponed until the next regular meeting of the Board of Directors to be held on May 14th.

With no further business to discuss, the Board meeting was adjourned at which time the Deferred Compensation Committee for the Orange Cove Irrigation District Deferred Compensation Plan convened.

The Committee reviewed the request of Efrain Aguirre to withdraw funds from his deferred compensation account. Upon review of the situation that had been presented to the Committee in the form of a letter from Mr. Aguirre, the Committee decided to deny Mr. Aguirre's request noting that there appeared to be other options for the obtaining of the needed money that have not been fully explored by Mr. Aguirre. The Committee directed Engineer-Manager Moss to inform Mr. Aguirre of their decision. The meeting of the Deferred Compensation Committee was adjourned at 4:00 P.M.

Harvey S. Chase

Harvey S. Chase, President

Richard M. Moss

Richard M. Moss, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, May 14, 1986.

The meeting was called to order at 1:10 P.M. with the following Directors and Officers present:

Directors:	Harvey S. Chase, President Donald W. Ketscher, Vice President James O. Orlopp Stanley C. Beach Richard D. McFarlin
Others:	Richard M. Moss, Engineer-Manager-Secretary

The meeting adjourned to Executive Session to conduct the interview of Mr. Walter Bricker, for the position of General Manager of the District.

The Regular Meeting reconvened whereupon President Chase stated that an additional interview would be held with Mr. James Chandler at the earliest possible convenience.

The Minutes of the Regular Meeting of the Board of Directors held on Wednesday, April 9, 1986, were read by Engineer-Manager Moss. On a motion by Director Beach, seconded by Director McFarlin, the Minutes were approved as read. Motion carried.

Bills in the amount of \$50,931.35 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The Monthly Report was presented and discussed. Rainfall for the month of April was lagging normal. However, the forecast for the San Joaquin River still shows considerably above normal runoff. The forecast from the previous month has been reduced to 162% of average for the April-July period, and 180% of average for the water year. There is a large amount of snow high in the watershed which makes the forecasting of runoff much more difficult for the Bureau of Reclamation and the State of California.

The operation of Millerton Lake was discussed. It was noted that the Bureau has allowed the reservoir to be drained to unprecedented low levels for the expected runoff. This is due principally to new operations personnel in Sacramento for the Bureau, uncertainty surrounding the forecasted runoff on the San Joaquin River and the concern for downstream damages from high releases into the river. The net effect of these operations could keep the reservoir from filling this year and could possibly cost the Friant Power Authority on the order of 1 to 2 million dollars of lost revenue. A letter criticizing the Bureau on their operations is being prepared for signature by the Friant Water Users Association and the Friant Power Authority.

The Board discussed the need to replace the gas tank and pumps in the District yard. Moss presented some proposals for locating the tank above the ground in back of the rear shop. He estimated that a new tank and pumps would cost on the order of \$8,000 to \$10,000. This includes the cost to remove the old tank. On a motion by Director Orlopp, seconded by Director Ketscher, the Board authorized Moss to secure the installation of a new tank and pump for the gas and diesel and the removal of the old gas tank at cost not to exceed \$10,000. The Board further appointed Stan Beach to act as a committee of one to assist Moss in this work. Motion carried.

The Board discussed the need for an additional portable air compressor. On a motion by Director Beach, seconded by Director McFarlin, the Board authorized Moss to obtain an additional portable air compressor at a cost not to exceed \$800.00. Motion carried.

The Board reviewed a proposed agreement with the Bureau of Reclamation which authorized their expenditures for review of the Kings River Siphon Hydroelectric Project. Their review is necessary since the project will be situated on Bureau owned land and involves part of the Friant-Kern Canal. The agreement calls for payment of the the Bureau's expenses not to exceed \$10,000 with an initial advance of \$5,000 placed on deposit with the Bureau. On a motion by Director McFarlin, seconded by Director Beach, the Board approved the signing of the agreement and the forwarding of a check for \$5,000 to the Bureau of Reclamation pending Attorney David Minasian's review. Motion carried.

The Board reviewed a proposed agreement with Fresno County for their participation in the cost to replace the main line of Improvement District #3-A, which runs along Cove Avenue. The County has simplified the agreement to where they will pay approximately \$118,000.00 to the District for the necessary relocation costs and the District will carry out the work either under contract or by use of their own forces. The agreement has been sent to Attorney Doug Jensen's Office for review. A meeting was proposed of the Improvement District #3-A landowners to discuss this agreement and to circulate a petition which would authorize an additional capital assessment for the needed improvement. Moss will work with the landowners in an effort to find a good meeting time.

The Board discussed the Water Supply Contract re-negotiations and the part that the Friant Water Users, as a group, will play in the re-negotiation process. The managers of the various Districts will be holding a meeting in the coming month to determine the issues on which a consensus can be reached by all the Districts in the Friant System.

The status of the Friant Water Users Association and Authority was then discussed. The Association has sent out a request for funds to cover the expenses of the Association until July 1, 1986. It is anticipated that the Authority will take-over the function of the Association on July 1st and will in all likelihood be sending out a call-for-funds to cover expenses from that point forward. Moss noted that the check for the Association was included in the bills in front of the Board today. Progress towards the signing the Cooperative Agreement between the Authority and the Bureau of Reclamation for the operation and maintenance of the Friant-Kern Canal is moving ahead, but slowly. The Attorney's for the two organizations are meeting and working on language mutually acceptable to cover the remaining issues.

The Board reviewed the request of Jim Flippen to share in the cost to move a pipeline to the edge of his property, which would allow him to re-level part of his land and plant some additional acreage. Engineer-Manager Moss stated that this line is part of Improvement District #12, and is in need of repair and/or replacement. The Board agreed to split the cost of replacing and relocating this line with Mr. Flippen at a cost not to exceed \$4,000.00 to the District. A motion was made to this effect by Director Orlopp, seconded by Director Ketscher. Motion carried.

Engineer-Manager Moss reviewed for the Board the status of the Rules and Regulations for the Reclamational Reform Act. All or part of these Rules and Regulations are currently being re-written to incorporate the leasing restrictions imposed in the 1982 Reclamation Reform Act known as "the Hammer Clause" or Section 203B. The Bureau is considering re-writing other sections of the Rules and Regulations regarding the 1982 Reclamational Reform Act which could have a serious impact on the District.

The Board reviewed a Resolution which has been prepared by Attorney Jensen, concerning the indemnification of the Board of Directors, Officers and employees of the District in regard to any legal action arising out of their conduct while serving the

District. On a motion by Director Orlopp, seconded by Director Ketscher, the Board authorized the approval of the Indemnity Resolution. Motion carried. (See Resolution 6-86.)

The Board reviewed a proposed Amendment to the Joint Powers Agreement of the Southern San Joaquin Valley Joint Powers Authority. This Resolution was reviewed in part at a previous Board Meeting with some subsequent changes that were noted. On a motion by Director McFarlin, seconded by Director Beach, the Board authorized the signing of the Amendment to the Joint Powers Agreement and forwarding it to the Southern San Joaquin Valley Power Authority. Motion carried.


Engineer-Manager Moss reviewed for the Board, the proposed exchanged between Arvin-Edison Water Storage District and Metropolitan Water District. The exchange, while very complicated, would essentially supply Arvin-Edison with water

during surplus years for ground water recharge and would require Arvin-Edison to relinquish a portion of their Central Valley Project supply and send it down to Metropolitan in water short years. Arvin-Edison would then pump ground water to meet their needs. This program is just at the formative stages and it is not likely to be put together for a number of years.

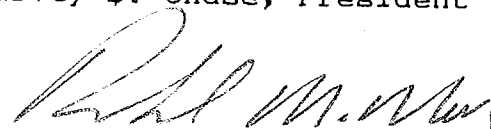
Engineer-Manager Moss informed the Board of a potential claim for damages from leaks on the property of Richard Pescosolido in Improvement District #3. Mr. Pescosolido has asked for review of the damage with the insurance carrier of the District. Moss has notified the claim representative for the Districts liability carrier. Moss noted that he felt this was more of an action on the part of Mr. Pescosolido to have some leaks fixed and not a serious effort to file a claim. Moss has since met with the field man for this property and the leaks have been sealed off and are scheduled for repair during the coming maintenance season or sooner if necessary.

The Board directed Moss to set up a meeting with Mr. James Chandler during the last week in May to further discuss his qualifications and requirements for the job of General Manager of the District.

With no further business to discuss, the Board meeting was adjourned at 5:45 P.M.



Harvey S. Chase, President



Richard M. Moss, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, May 30, 1986.

The meeting was called to order at 9:00 a.m. with the following Directors and Officers present:

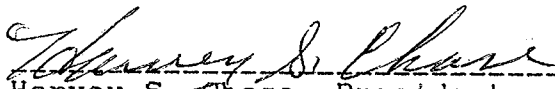
Directors:	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	Stanley C. Beach
	Richard D. McFarlin
Absent:	James O. Orlopp
Others:	Richard M. Moss, Engineer-Manager-Secretary
	James C. Chandler

The meeting adjourned to Executive Session to conduct the interview of Mr. Chandler for the position of Engineer-Manager for the District.

The Special Meeting reconvened whereupon President Chase stated that the District has hired Mr. James C. Chandler for the position of Engineer-Manager, at a salary of \$43,000.00 a year.

Mr. Chandler is to work with Richard Moss to establish the schedule for his starting at the District.

With no further business to discuss, the meeting was adjourned at 10:30 a.m.



Harvey S. Chase, President

Richard M. Moss, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 11, 1986.

The meeting was called to order at 1:35 p.m. with the following Directors and Officers present:

Directors:	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	James O. Orlopp
	Richard D. McFarlin
Absent:	Stanley C. Beach
Others:	Richard M. Moss, Engineer-Manager-Secretary
	James C. Chandler

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, May 14, 1986, were approved as mailed on a motion by Director McFarlin, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$85,296.16 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director McFarlin. Motion carried.

The Monthly Report was presented and discussed. There was little or no rainfall of record for the month of May. This along with a less than expected May runoff, has resulted in a reduction in the forecast supply on the San Joaquin River. The April-July runoff on the San Joaquin River is now forecast at 151% of normal or 1,865,600 acre feet. The water year is now forecast at 178% of normal or 3,107,300 acre feet. Class I and Class II water supply declarations remain at 100%. Orange Cove Irrigation District used 4,862 acre feet during the month of May.

The operation of Millerton Lake during this spring was discussed. The Board stated its concern that the Bureau's operation of the reservoir this year could result in a situation where the reservoir would not fill, even though the water supply is considerably above normal.

Mr. Kyle Stephensen and Mr. Joseph Mastro of the accounting firm of Baker, Peterson and Franklin entered the meeting. They presented the Annual Audit covering Fiscal Year 1985. Upon further discussion and review, a motion was made by Director Ketscher, seconded by Director Orlopp, to accept the 1985 Annual Audit as prepared by Baker, Peterson and Franklin. Motion carried. The Board thank Mr. Stephensen and Mr. Mastro for coming to the meeting, whereupon they left.

The Board took up the review of the personnel actions as proposed by Engineer-Manager Moss. On a motion by Director Orlopp, seconded by Director McFarlin, the Board approved the personnel action as follows:

Salary Increase
 Howard C. Barker
 Admin. Assistant \$2,547.00 to \$2,650.00 per month
 Adolfo R. Martinez
 Maint. Supervisor \$2,488.00 to \$2,550.00 per month

Merit Increase
 Richard Hayes
 Repairman I Step D to Repairman I Step E
 Lorraine Celaya
 Admin. Secretary Step B to Admin. Secretary Step C
 Frank Angulo
 Repairman II Step D to Repairman II Step E
 Efrain Aguirre
 Watertender II Step C to Watertender II Step D
 Joe Martinez
 Watertender II Step D to Watertender II Step E

These increases will be effective on wages earned on and after July 1, 1986.

The Board called on Jim Chandler to present the discussion of the Public Law 566 Grant Program administered by the USDA Soil Conservation Service. Chandler presented this program which could be used to assist in the rehabilitation of the District's water supply distribution system. Locally, investigation into this program is already proceeding under the sponsorship of Alta Irrigation District. Alta intends to use this program to help with the flood water drainage problems that affect that District from time to time. After further discussion, a motion was made by Director Ketscher, seconded by Director McFarlin, to write a letter to the U.S. Department of Agriculture, Soil Conservation Service, Fresno Field Office in care of John Beyer, requesting a water management study be performed for the Orange Cove Irrigation District, with investigation into the applicability of the Public Law 566 Grant Program to assist in the pipeline system rehabilitation. Motion carried.

Engineer-Manager Moss reviewed for the Board the consensus issues regarding the water contract re-negotiations that will be occurring within the next couple of months. These issues have been agreed to by the Engineer-Managers which represented nearly all of the Long Term Contractors in the Millerton Service Area. The letter of May 23rd, 1986, as prepared by Roger Robb of Lower Tule River Irrigation District was reviewed. The Board directed Moss to indicate their agreement to the issues and discussions as presented in the May 23rd letter.

The Board reviewed a resolution which would oppose the classification of the lower Kings River as wild and scenic as proposed in Congressman Richard Lehman's Bill, H.R. 4629. On a motion by Director Ketscher, seconded by Director McFarlin, the Resolution was adopted. (See Resolution 8-86). Motion carried.

The Board reviewed the status of Friant Water Users Authority and Association. The Authority has made a call-for-funds for \$30,000.00 from the O & M Project Members and \$21,000.00 from the General Members. The Authority will begin performing the Association General Member activities starting on July 1, 1986. There has been some discussion of maintaining the Association, if only in name and corporate status, with the idea that the Association may be able to perform some function that is not within the ability of the Authority. The Association would then maintain a very limited budget.

The Board reviewed the status of the Friant Power Projects. The construction is complete or nearly complete on all three projects at Friant Dam. The Friant-Kern outlet recently underwent the "Heat Run" Performance Test and it performed well. All projects are currently operating at or near their peak production. A Memorandum of Understanding was signed with Bechtel Engineering for the performance of a feasibility study for the Friant-Kern Outlet #2 Power Project. The Amendment for the License to allow for the construction of the Fish Release Power Project has been noticed by the Federal Energy Regulatory Commission. The feasibility for this project is also being performed by Bechtel Engineering.

Under other business, Engineer-Manager Moss informed the Board of a Public Scoping Meeting to be held by the Bureau of Reclamation, concerning the environmental aspects of new off-stream storage sites in the southern San Joaquin Valley. This meeting will be held on Thursday, June 12th at the Visalia Holiday Inn, starting at 7:00 p.m.

With no further business to discuss, the Board meeting was adjourned at 4:30 p.m.


Harvey S. Chase, President

Richard M. Moss, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, July 9, 1986.

The meeting was called to order at 1:40 p.m., with the following Directors and Officers present:

Directors:	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	Stanley C. Beach
	James O. Orlopp
Absent:	Richard D. McFarlin
Others:	James C. Chandler, Engineer-Manager-Secretary
	Richard M. Moss
	Douglas B. Jensen, Attorney

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, June 11, 1986, and a Special Board Meeting held on Friday, May 30, 1986, were read by Richard Moss and were approved on a motion by Director Beach, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$163,512.35 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Beach. Motion carried.

The Monthly Report was presented and discussed. There wasn't any change in rainfall amounts during the month of June. The Bureau of Reclamation had not completed their latest April-July runoff forecast for the San Joaquin River.

A meeting of Improvement District 3A Landowners was held at 10:00 a.m. this date to discuss proposed improvements along Cove Avenue. Further discussion was carried out with the Board as to how the financial arrangements would be made. The Board needs to know the amount for bond sales before proceeding with this issue. However, there was an expressed desire to see the bonds sold locally.

Engineer-Manager Chandler reported on the problem with turnout pump #4-1 and the cost to repair or replace the pump. The problem being that the pump is worn beyond its capability to supply the needed water. After checking with Tommy's Pump, it was discovered that the existing pump had a very close tolerance and would wear rapidly if exposed to dirty water. This being suspected for the rapid wear, it was recommended that the pump be replaced by a unit better suited for this condition. The optional replacement units were a 7.5 HP Jacuzzi, which would provide 4.2 gpm/acre at a cost of \$2,353.00, or a 10 HP vertical turbine to supply 5.0 gpm/acre estimated at a cost of \$3,665.00. On a motion by Director Beach, seconded by Director Orlopp, the Board approved the installation of the 7.5 HP Jacuzzi.

Mr. Richard Moss presented an update on the Kings River Siphon Hydroelectric Project by reviewing a letter from Douglas Charchenko of Shearson Lehman Brothers, regarding the financial feasibility of the project. Mr. Charchenko pointed out that additional funds would be necessary over that originally reported by Tudor Engineering to create a debt service reserve fund and the cost of issuance of debt. This would change the cost from \$2,610,000 to \$3,245,000. Mr. Moss further informed the Board of a meeting scheduled with Tudor Engineering, Doug Charchenko, Dave Minasian, Engineer-Manager Chandler and Richard Moss to investigate options to pursue.

Engineer-Manager Chandler informed the Board of a meeting scheduled by the Bureau of Reclamation to be held on July 17, 1986, to determine the issues for contract re-negotiations between the US Bureau of Reclamation and the Friant water users. The Bureau's letter stated that they wanted to determine all the issues before taking a position for re-negotiations of contract.

Mr. Richard Moss report on the status of the Friant Water Users Authority Agreement with the U.S. Bureau of Reclamation, stating that only minor changes were to be made in the latest review draft. On a motion by Director Beach, seconded by Director Orolopp, the Board agreed to remain an O & M Member contingent upon acceptance of the final language in the Agreement.


Engineer-Manager Chandler advised the Board that both pickups that were ordered have been received, and two of the older pickups could be sold. The Board agreed to accept bids for the two pickups, plus the Hopto (backhoe). Minimum bids were set at \$1,500 for the Full Size 1/2 Ton Pickup, \$1,000 for the Courier and \$8,000 for the Hopto. Bids would be opened at the next Regular Board Meeting.

Under other business, on a motion by Director Beach, seconded by Director Ketcher, the Board passed a resolution appointing Engineering-Manager Chandler, to the additional duties of: Secretary to the Board, Assessor-Collector, Auditor-Controller; and to serve on the Advisory Committees for the: Friant Water Users Authority, Friant Power Authority, Upper San Joaquin River Water and Power Authority and the Southern San Joaquin Valley Power Authority; and authorization to invest and withdraw funds of the Orange Cove Irrigation District, with Security Pacific National Bank and the State of California Local Agency Investment Fund.

Engineer-Manager Chandler discussed with the Board the rate at which he would accrue vacation time since this issue was not discussed at the time of his appointment. After discussion, accrual rate from previous employment based on the time served in the professional field, a motion was made by Director Orolopp, seconded by Director Beach, setting the accrual rate at 21 days per year. Motion carried.

Engineer-Manager Chandler advised the Board of additional problems resulting from certain individuals taking spray water from District turnouts. Since this problem has been on-going for some time, the Board directed Engineer-Manager Chandler to draft rules and regulations on the use of spray water.

With no further business to discuss, the Board meeting was adjourned at 4:05 p.m.


Harvey S. Chase, President


James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on August 13, 1986.

The Meeting was called to order at 1:35 p.m., with the following Directors and Officers present:

Directors:	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	Stanley C. Beach
	James O. Orlopp
	Richard D. McFarlin
Others:	James C. Chandler, Engineer-Manager- Secretary
	Charles Harness

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, July 9, 1986, were approved as mailed on a motion by Director Ketscher, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$82,113.52 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The Monthly Report was presented and discussed. There was no significant rainfall for the month of July. The U.S. Bureau of Reclamation had revised the San Joaquin River April-July runoff to reflect actual conditions which were slightly less than previously forecast. The San Joaquin River for the period of April-July was 146 percent of normal at 1,801,000 acre feet. The total for the water year is 173 percent of normal at 3,008,000 acre feet. The water supply for Class I and Class II contractors is 100 percent and 102.1 percent respectively.

Engineer-Manager Chandler presented the status report on Improvement District 3-A. The significance of the report was that two-thirds of the landowners had not returned signed petitions in support of the assessments for the proposed improvements. A two-thirds vote would be necessary prior to calling for a Formation Hearing. The Board directed Engineer-Manager Chandler to proceed with the collection of signatures and if the two-thirds vote was obtained to post a Public Notice and set a date for the Formation Hearing.

Mr. Charles Harness had requested and was invited to meet with the Board of Directors regarding repairs on Improvement District 13. Mr. Harness recommended to the Board that alternative means be investigated for making repairs on the District's concrete pipelines. He stated that many of the repairs required additional trips to the field to repair a second and third time which is very ineffective for the repairman's time. Engineer-Manager Chandler and the Board assured Mr. Harness that this was an item of concern for the District and would be pursuing means in the near future for making more effective repairs, preferably by using a flexible joint material to relieve stress within the pipeline.

Engineer-Manager Chandler presented an update on the Kings River Siphon Hydroelectric Project, which included the filing for the license and a proposal by Tudor Engineering Company to provide various levels of design to continue the Project. Mr. Chandler suggested that the Board entertain other proposals and to investigate further, the possibility of a turn-key installation. The Board directed Engineer-Manager Chandler to pursue the different alternatives.

Engineer-Manager Chandler reviewed with the Board the draft "Water Conservation Plan," prepared for Orange Cove Irrigation District to meet the Federal requirements under the Reclamation Law. The main items of review were the water conservation goals which outlined future objectives of the District to conserve water, energy and other related resources.

The Board opened bids for the 1981 Full Size 1/2 Ton Ford Pickup and a 1981 Ford Courier Pickup. The high bidders were the City of Orange Cove at \$2,000 for the Full Size Pickup, and Eeto Rios at \$1,150 for the Courier Pickup.

Engineer-Manager Chandler reported on a worktruck needing engine repair because of excessive oil consumption and presented bids from one garage for a short block repair and one for a long block repair. On a motion by Director Ketscher, seconded by Director Beach, the Board directed Engineer-Manager Chandler to obtain three bids for a long block repair and make the repair under the lowest bid.

Under other business, the proposed budget for 1987 was given to the Directors for their review before the September Board Meeting.

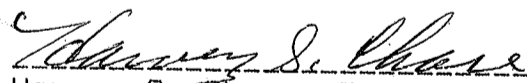
Engineer-Manager Chandler reported on the gas tank leakage problem that was encountered when the tank was removed from the ground. Mr. Chandler informed the Board that the extent of the problem would not be known until lab tests were made on soil samples taken at various depths beneath the tank.

Engineer-Manager Chandler reviewed for the Board a letter from Jeff Meith regarding contract re-negotiations. Mr. Meith's particular concerns were that the U.S. Bureau of Reclamation has indicated that water quantities may be an issue in the upcoming negotiations. Mr. Meith suggested that a letter addressing these concerns to be sent to the Bureau of Reclamation by at least a spokesperson for the Friant Water Users. The Board agreed that this should be done and if additional support for this position is needed at this time a letter should be sent by Engineer-Manager Chandler.

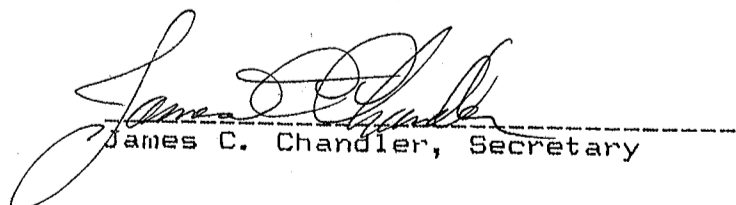
Engineer-Manager Chandler requested Board approval for Howard C. Barker to attend a training session in Sacramento relating to the sale of bonds for debt services. The Board denied this request stating that sufficient services can be obtained through a financial advisor.

Engineer-Manager Chandler requested Board approval to purchase a letter quality printer and a micro unit with engineering capability. The Board directed Mr. Chandler to obtain additional justification for this equipment.

With no further business to discuss, the Board meeting was adjourned at 4:10 p.m.



 Harvey S. Chase, President



 James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on September 9, 1986.

The Meeting was called to order at 1:35 P.M. with the following Directors and Officers present:

- Directors: Harvey S. Chase, President
Stanley C. Beach
James O. Orlopp
Richard D. McFarlin
- Absent: D.W. Ketscher, Vice-President
- Others: James C. Chandler,
Engineer-Manager-Secretary
Douglas B. Jensen, Attorney

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, August 13, 1986, were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$117,499.07 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The monthly report was presented and discussed. It was reported that delinquent taxes in the Orange Cove Irrigation District were very low relative to some of the other Districts. There was no significant rainfall at Huntington Lake or Orange Cove stations. The total runoff for the San Joaquin River for the water year was revised to 174 percent of normal at 3,030,000 acre feet. The Class I and Class II water supplies were reported at 100 percent each for the water year.

Engineer-Manager Chandler made a progress report on Improvement District #3A Petition signing for additional assessments for reconstruction of delivery facilities. It was reported that the Special Assessment Hearing had to be rescheduled from September 10 to September 18, 1986 because of the delayed return of a sufficient number of signed petitions to call for the Hearing. Mr. Chandler reported that he had further discussed financial alternatives with Doug Charchenko. Mr. Charchenko's recommendation was to go with an individual or institutional loan, if possible, rather than bond sales to save the upfront cost.

Engineer-Manager Chandler reported that water deliveries were running about 3,900 acre feet under the scheduled deliveries, and that Tulare Irrigation District was interested in purchasing water if available. Engineer-Manager Chandler recommended the sale of 2,500 acre feet at this time. This would leave approximately 10,600 acre feet for OCID to finish the season. On a motion by Director Beach, seconded by Director McFarlin, the Board approved the transfer of 2,500 acre feet of water to Tulare Irrigation District.

The Regular Meeting was recessed at 2:30 P.M. and the Board reconvened as the Board of Equalization. In that no persons elected to appear before the Board of Equalization, the Board reviewed and accepted the Assessor's Book as prepared on a motion by Director McFarlin, seconded by Director Orlopp. Motion carried.

The Hearing of the Board of Equalization was then adjourned and the Regular Meeting was reconvened. The Board then reviewed the proposed budget for 1987. On a motion by Director Beach, seconded by Director McFarlin, the budget was approved as prepared. The budget calls for revenues of \$1,222,875.00 in the General Fund, \$53,700.00 in the Equipment Replacement Fund and \$162,746.00 in the Special Project Fund. Motion carried. On a

motion by Director Orlopp, seconded by Director Beach, a resolution fixing the amount and rate of assessment for 1987 was offered. Motion carried. (See Resolution 9-86). On a motion by Director McFarlin, seconded by Director Beach, a resolution setting the standby charge for 1987 was offered. Motion carried. (See Resolution 10-86).

Engineer-Manager Chandler requested that the Board consider issuing a newsletter and an annual report. It was felt these items would help generate support for improvement projects if the landowners were more aware of present conditions of the existing systems. The Board elected not to go with this type of information program at this time.

Engineer-Manager Chandler reported progress on the Kings River Siphon Hydroelectric Project in that two companies were interested in making turn-key construction proposals. One company, Hydroelectric Constructors, Inc., was interested in using a drop-in unit in conjunction with the existing radial gate which they felt could save a substantial cost over the exterior siphons. The other company, Energy Partners, has scheduled a site review for September 24, 1986.

For the Friant Power Authority, Engineer-Manager Chandler reported that the Authority had just completed its second month of over \$2 million in power generation. The projected annual gross revenue for the year was about \$9.1 million, nearly \$2 million over average annual projections.

Engineer-Manager Chandler reported on the need to start preserving certain files for the District. Since the vault and closets are full, and other important records stored in the old office, it was recommended that files be purged and important records be microfilmed for permanent record. A proposal had been obtained from California Microfilm Company at a cost of 3.7 cents per copy of standard letter size and 20 cents per copy for larger documents such as drawings. It was estimated that all work could be done for less than \$4,000.00. On a motion by Director Orlopp, seconded by Director McFarlin, the Board authorized \$4,000.00 for the record preservation program. Motion carried.

Under other business, Engineer-manager Chandler reported that a letter had been received from the Joint Powers Insurance Authority stating that JPPIA would not provide coverage for punitive damages. The law had been changed this year to allow public agencies to voluntarily assume responsibility for punitive damages. However, JPPIA felt it would not be in their best interests to provide this coverage.

Engineer-Manager Chandler reported on a new method of making pipeline repairs that would be tried in the District in an effort to cut cost and make the repair more effective. The technique would involve removing a joint of the existing pipeline at the leak and replacing with a section of pipe that has a rubber-gasket joint. A standard coupler had been located that could be used with a short section of PVC pipe. This method of repair will be evaluated for both the ease of making repairs and the effectiveness.

The engine repair of the Chevrolet maintenance truck was brought before the Board for further discussion. The cost estimate brought before the Board at the August Meeting turned out to be a rebuilt long block, rather than a new long block as requested by the Board. Collin's Garage had also recommended that if we were going to use a rebuilt long block to rebuild the one that was in the truck. New estimates were obtained from three garages and one for a used V8 engine. The three lowest estimates were as follows:

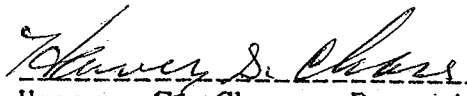
1. New long block installed - \$1,928.85
2. Rebuild the engine in the truck - \$1,179.45
3. Used V8 engine installed - \$1,100.00

The Board directed Engineer-Manager Chandler to rebuild the engine in the truck.

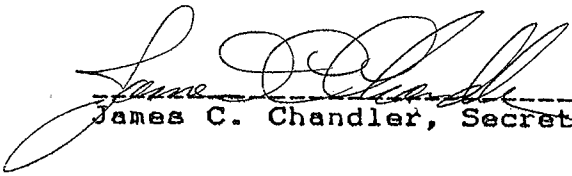
Engineer-Manager Chandler reviewed the final cost of utilizing the services of Underground Service Alert to notify the District if construction activity is planned near existing pipelines. The cost was \$21.60 per year plus \$2.00 per telephone notification of proposed work activity. The Board directed Mr. Chandler to subscribe for the services.

Engineer-Manager Chandler reported to the Board that General Motors had paid OCID \$5,377.82 as settlement for our claim of \$8,140.90 for problems encountered with the diesel engine, in one pickup.

With no further business to discuss, the Board Meeting was adjourned at 3:45 P.M.



Harvey S. Chase, President



James C. Chandler, Secretary

Minutes of the Improvement District 3A Hearing to Levy a Special Assessment.

Those in attendance were the following:

Board of Directors: Harvey S. Chase, President
Stanley C. Beach
Richard McFarlin
James Orlopp

Absent: Donald W. Ketscher, Vice-President

Officers Present: James C. Chandler, Engineer-Manager
Carl Refurezo, Attorney

Others: Andy Lange, CLANCO
Jim Jones, Golden Windmill
Mark Higham, Thompson-Cardenas
Howard C. Barker, OCID

President Harvey S. Chase called the meeting to order at 1:35 PM. President Chase stated the purpose of the meeting was to determine if a special assessment should be levied on the lands in Improvement District #3A for the purposes of reconstructing the main pipeline along Cove Avenue.

President Chase then turned the Meeting over to Engineer-Manager James C. Chandler for further discussion.

Engineer-Manager Chandler then proceeded to discuss the alternatives that were available to the landowners. Mr. Chandler reported that Fresno County was going to widen Cove Avenue in the Spring of 1987 whether or not we decided to relocate the pipelines or not. He then discussed the two options that were available to the Improvement District.

The least cost alternative would relocate portions of the pipeline and shift Cove Avenue alignment to the West. The estimated cost of this alternative was \$118,000 with the County of Fresno covering the cost.

The other alternative was to replace the entire pipeline along Cove Avenue in the 3A System. This proposal would keep Cove Avenue centered along the present alignment. The estimated cost would be \$361,000 less the \$118,000 Fresno County share.

Engineer-Manager Chandler then reported that at the Board of Supervisors meeting held September 16, 1986, the Board of Supervisors approved the agreement with the Orange Cove Irrigation District authorizing \$118,000 for the replacement work to be done along Cove Avenue.

Then Engineer-Manager Chandler proceeded to answer some questions that were raised at the last 3A Landowners meeting.

The savings in operation and maintenance was discussed. There could be a savings of up to 50% in power costs and maintenance. A spreadsheet was handed out and discussed that showed the projected savings and pay out period of about 17 years.

The design capacity of the new system was discussed. The capacity will be 5 gallons per minute per acre.

The cost to the landowners was then discussed. The estimated project cost was \$361,000 less the Fresno County payment of \$118,000 leaving a net cost to the landowners of \$243,000. This on a per acre rate would be \$335.00 per acre.

Different types of financing were discussed. The annual rate with a 10 year repayment under bond sales was estimated to be \$59.91 per acre.

Engineer-Manager Chandler then called for questions.

Mr. Andy Lange asked what the pressure would be on the upper end of the new pipeline.

Engineer-Manager Chandler responded the pressure on the new Cove Avenue line would be about 5 PSI at the upper end of the new line.

Engineer-Manager Chandler then turned the meeting over to President Chase.

President Chase then asked if there were any objections to the Petition. There were none.

President Chase then asked if there were any objections to the plans or specifications. There were none.

President Chase then asked if there were any objections to the estimated cost. There were none.

President Chase then asked if there were any objections to the proposed assessment. There were none.

President Chase then asked if there were any objections to the Apportionment of the Assessment. There were none.

President Chase then asked the Board if there was any reasons to dismiss the the hearing. There were none.

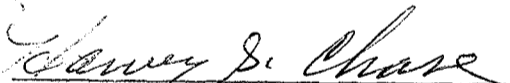
Director Beach made a motion to approve the Petition. The motion was seconded by Director McFarlin. The motion carried.

Director Orlopp made a motion that the Orange Cove Irrigation District levey a special assesment for the proposed improvements. The motion was seconded by Director Beach. The motion carried.

Director McFarlin made a motion to establish the apportionment of the assesment at \$335.00 per acre. The motion was seconded by Director Beach. The motion carried.

Attorney Carl Refurezo then said he would prepare the final order for the Improvement District #3A.

There being no further business, President Chase adjourned the meeting at 1:55 P.M.


Harvey S. Chase, President


James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on October 8, 1986.

The Meeting was called to order at 1:45 P.M. with the following Directors and Officers present:

Directors: Harvey S. Chase, President
Stanley C. Beach
James O. Orlopp
Richard D. McFarlin

Absent: Donald W. Ketscher, Vice President

Others: James C. Chandler,
Engineer-Manager-Secretary
Douglas B. Jensen, Attorney

The minutes of the Regular Meeting of the Board of Directors held on Wednesday, September 10, 1986, and the minutes of the Improvement District 3A Hearing to Levy a Special Assessment held on Thursday, October 18, 1986, were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$89,518.70 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Orlopp. Motion carried.

The Monthly Report was presented and discussed. The District's total water delivery through September was 30,723 acre feet. Precipitation at Huntington Lake was 3.30 inches for September with a year-to-date total of 3.60 inches. The year-to-date normal is 1.29 inches. The total runoff for the San Joaquin River was unchanged from the September report which was 174 percent of normal at 3,030,000 acre feet. The big change on the River system was that Southern California Edison had not made their scheduled releases from their storage reservoirs which had brought the Millerton Lake storage critically close to the minimum pool. The Bureau of Reclamation prepared a prorating flow schedule in case it had to be implemented. Also, the Bureau was working with Southern California Edison to get more storage released to the Friant Water Users.

Engineer-Manager Chandler discussed the Easement granted by Thomas and Ruth Flippen for construction of a water conveyance pipeline and the need for the Board to accept the Easement by resolution for the purpose of recording the document with Tulare county. On a motion by Director McFarlin, seconded by Director Beach, a resolution accepting the Grant Easement was offered. Motion carried.

Engineer-Manager Chandler made a progress report on Improvement District 3A. Right-of-way acquisition is the most critical problem at this time. Fresno County had indicated that they would be ready to start right-of-way negotiations by mid November but it may take 90 days to complete the negotiations.

The 90 days would end about mid February which would be the latest date that construction could start and be completed in time for water deliveries. An effort is also being made to locate funds that may be made available for energy conservation which would be applied to Improvement District 3A.

An environmental assessment was done for the project which reflects a potential impact in the area of the proposed regulating reservoir. The potential impact occurs from the Spiny Seeped Coyote Thistle, a candidate plant species for Federal listing as threatened or endangered, which is found in the vernal pools adjacent to Cove Avenue. However, the impact can be mitigated by relocating the vernal pools or locating the reservoir outside the vernal pool area. Thereby, a negative declaration could be prepared with the Mitigating Measures. The Board ordered Engineer-Manager Chandler to proceed with the negative declaration with the Mitigating Measures.

Engineer-Manager Chandler also discussed with the Board the need to build capacity in the Improvement District 3A reservoir to serve Improvement District 1AE. This would provide needed flexibility to the Improvement District 1AE and greatly reduce power cost. The landowners in Improvement District 1AE would then have to pay for their apportioned share of cost.

Engineer-Manager Chandler reported on the status of the Fish Release, Granite Creek and Kings River Siphon Hydroelectric Projects.

The preliminary study for the Fish Release Project had been completed with two alternatives. The alternative recommended by Bechtel would cost about \$1.5 million dollars with eight districts involved or a cost of about \$187,000 per district. Manager John Boudreau was concerned as to the various districts ability to pay their share. Furthermore, if any districts should drop their participation, it would make it more difficult for the other districts to pick up an additional apportioned share. However, it was agreed to have Doug Charchenko of Prudential-Bache look at financial alternatives. A call for funds in the amount of \$400.00 was made to pay for work done to date on this project. On a motion by Director Beach, seconded by Director McFarlin, the amount of \$400.00 was approved for payment. Motion carried.

It was reported that the Granite Creek Project had been unsuccessful to date in finding a power purchaser. Pacific Gas & Electric and Southern California Edison took the position that they would not need additional power over their present capability until the mid or late 1990's. Bechtel was going to make an attempt to sign a purchase agreement with "SCAPA" a group of Southern California City. If this fails, the project may be abandoned. A call for funds in the amount of \$600.00 was made to pay for work done to date on this project. On a motion by Director McFarlin, the amount of \$600.00 was approved for payment. Motion carried.

Engineer-Manager Chandler discussed the draft budget for the Friant Water Users Authority which was distributed at the Authority's regular meeting of September 25, 1986. Much of the discussion at the Authority meeting was generated around the budgeted amounts for Consultants and Special Projects. Discussion particularly centered around the 203-B lawsuit which is a budget item under Special Projects. This matter only has significant effects in a few districts. However, the general consensus was that all the Friant water users should stick together in support of a position. The draft budget is about 17 per cent over the actual 1986 Association budget. Orange Cove Irrigation District's share of the draft budget would be \$4,290.84.

Engineer-Manager Chandler reviewed a draft working paper for consolidation of Orange Cove and Hills Valley Irrigation Districts and Tri-Valley Water District. The intent of the working paper was to present the pros and cons of the consolidation. A meeting was scheduled for October 30, 1986 for the districts to discuss these matters.

Under other business, Engineer-Manager Chandler reported on the Bumanglag Property which the District has taken title via a Collectors Deed. The 2.5 acre parcel was delinquent in assessments of about \$900.00. The Board directed Chandler to start the necessary proceedings to sell the property to collect the delinquent assessments other and expenses incurred therein.

Engineer-Manager Chandler also reported that an amendment to the Brown Act would go into effect January 1, 1987. The amendment would require the posting of the Board Agendas, with a brief description of items to be discussed, 72 hours prior to a Board Meeting. No action may be taken on any item not appearing on the posted agenda or items subsequent to the posting without two-thirds vote by the body holding the meeting, or unanimous vote if two-thirds of the voting members are not present.

Engineer-Manager Chandler reported on the progress for making pipeline repairs. Two new materials are going to be field tested which have the potential to repair joint lengths without shutting systems down. The materials to be tested are reported to have good bonding characteristics even when applied under wet conditions and remain somewhat flexible after curing. These are two characteristics which are very important to improving our repair procedure.

With no further business to discuss, the Board Meeting was adjourned at 3:45 P.M.

Harvey S. Chase

Harvey S. Chase, President

James C. Chandler

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on November 13, 1986.

The Meeting was called to order at 1:35 P.M. with the following Directors and Officers present:

Directors: Harvey S. Chase, President
Stanley C. Beach
James O. Orlopp
Richard D. McFarlin

Absent: Donald W. Ketscher, Vice-President

Others: James C. Chandler,
Engineer-Manager-Secretary

The Minutes of the Regular Meeting of the Board of Directors held on Wednesday, October 8, 1986 were approved as mailed on a motion by Director Beach, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$77,000.53 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director McFarlin. Motion carried.

The Monthly Report was presented and discussed. The total water delivered by the District through October was 34,160 acre feet. 2,540 acre feet remained for the season and was projected to be used unless a significant rain occurred before late November. There were no changes in the precipitation or San Joaquin River Reports since the October Board meeting.

Engineer-Manager Chandler reviewed the Environmental Assessment for the I.D.-3A project and recommended the filing of a Negative Declaration with mitigation for the Spiney Sepaled Coyote Thistle (*Eryngium Spinosepalum*). On a motion by Director McFarlin, seconded by Director Beach, the Negative Declaration was accepted and the filing of the Notice of Determination with Fresno County was ordered. Motion carried.

Engineer-Manager Chandler discussed the need to purchase land for the regulating reservoir site for System 3A. The best site is one located on Manual Silva's property at the highest elevation of the system. On a motion from Director Orlopp, seconded by Director McFarlin, the acquisition and condemnation proceedings as necessary, was ordered.

Engineer-Manager Chandler recommended to the Board that flow meters be used in lieu of the present orifice plates for the new pipelines systems. The long range advantage being that it would reduce operating cost to the District. The cost of the meter and installation is about the same cost as a new orifice plate turnout. Also, the meters presently being used in the water measuring field have low maintenance cost. On a motion by Director Beach, seconded by Director McFarlin, the use of flow

meters was approved contingent upon acceptance by Director Ketscher. (At a subsequent meeting with Director Ketscher, acceptance of the use of flow meters was given.)

Engineer-Manager Chandler discussed the desirability to add regulating capacity in the I.D.-3A reservoir for use by I.D.-1AE. The estimated prorated cost to I.D.-1AE for capacity and connection to the existing system is \$30,000 or \$72.00 per acre. A new assessment to I.D.-1AE would be necessary and would have to be approved by two-thirds of the landowners in the improvement district. On a motion by Director McFarlin, seconded by Director Beach, Engineer-Manager Chandler was directed to start the reassessment proceedings.

Under power projects, Engineer-Manager Chandler discussed the "Turn-Key" proposal by Energy Partners for the Kings River Siphon Project. It was agreed that the proposed revenue share to OCID was very low. It was recommended that Engineer-Manager Chandler work out a more reasonable revenue sharing plan before proceeding to legal review and possible contract negotiations. Engineer-Manager Chandler discussed the need to implement the Interconnect Agreement with PG&E to reserve line capacity at the site and to preserve the Standard Offer #4 Contract for power sales. The cost for 900kw capacity would be \$4,500.00. On a motion by Director McFarlin, seconded by Director Orlopp, preparation of the Interconnect Agreement was ordered.

For the Southern San Joaquin Valley Power Authority, Engineer-Manager Chandler and Director Beach discussed with other Members of the Board the commitment to carry through with OCID's cost share of the Authority's participation in the Third Intertie Project. The only negative aspect at this time is the cost of being a member. However, this is like the other previous projects in that it is an investment for future benefits. In that the Board showed no interest in withdrawing OCID's participation, a call-for-funds in the amount of \$1,148.00 was made. On a motion by Director McFarlin, seconded by Director Beach, the amount of \$1,148.00 was approved and ordered paid.

Engineer-Manager Chandler discussed the emergency repairs that were made to the I.D. 3 System as the result of Reimer Trucking unloading and driving a heavy track layer on top of the systems pipeline. Bills had been presented to Reimer Trucking twice over the last two months but no payment or response of any kind had been received to-date. The matter had been discussed with Attorney Doug Jensen. His recommendation was that a letter from his office be sent to all parties involved which included Paul Lawson and American Farm Equipment Rental. The Board directed a letter be sent from Attorney Jensen Office to the three parties involved.

Engineer-Manager Chandler reported on the meeting held on November 7, 1986 regarding consolidation of Orange Cove Irrigation District, Tri-Valley Water District and Hills Valley Irrigation District. Also, the pros and cons of consolidation were discussed. The general consensus was that OCID would benefit less than either of the other Districts. However, it was decided that the District would have Dennis Keller make a presentation regarding the availability of other water supplies and benefits of consolidating the three districts.

Engineer-Manager Chandler reported on a proposal by consulting engineer Stanley Barnes to resolve a flooding problem and dispute between landowners Benson and Tarbell in I.D. 11BD. The proposal included OCID performing maintenance on a section of improved ditch about 300 feet long. The total length of the improved section would be about 1.5 miles. The ditch primarily conveys flood water which the District has not previously been involved in maintenance with any channel not conveying irrigation water. The Board directed Chandler to have Attorney Doug Jensen review the proposal from the legal aspect and JPIA review for possible increased insurance cost.

The Excess Lands or "Hammer Clause" of the Reclamation Reform Act of 1982 was discussed since some growers in the District would be effected. The main concern being that growers who wish to "Grandfather" their land into the new Act must do so prior to April 12, 1987 or pay full cost for water on excess lands. Engineer-Manager Chandler was directed to send a letter to all known excess land holders.

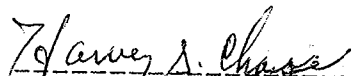
Under other business, Engineer-Manager Chandler reviewed a letter from the Association of California Water Agencies requesting a support payment for litigation to prohibit unfunded State Mandated programs. The suit was filed in the name of Paradise Irrigation District. OCID's payment would be \$79.00 which is 5% of the District's 1987 dues. On a motion by Director Beach, seconded by Director McFarlin, the support payment was approved. Motion carried.

Engineer-Manager Chandler presented a proposal by AT&T to upgrade our telephone system. A cost comparison was reviewed which compared two options of the new proposal for lease-purchase to our present system lease. After considerable discussion, this item was tabled.

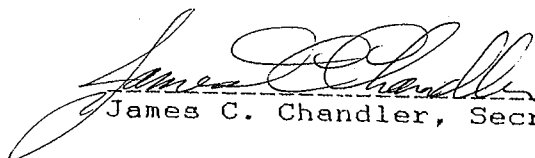
Highlights of the Coordinated Operating Agreement (COA) as reported by ACWA News was reviewed. Of particular interest was that a part of the COA was a \$600 million authorization to Small Reclamation Project Act. This may be a source of money to make system improvements within the District. Also announced was that President Harvey S. Chase was presented with an "Honorary Life Member" award at the October ACWA Convention.

The water shutoff date was discussed. The anticipated shutoff date would be either November 23rd or November 26th, 1986, which would probably use the remaining supply available this year.

With no further business to discuss, the Board Meeting was adjourned at 4:15 P.M.



Harvey S. Chase, President



James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on December 10, 1986.

The Meeting was called to order at 1:45 P.M. with the following Directors and Officers present:

Directors:	Harvey S. Chase, President
	Donald W. Ketscher, Vice President
	Stanley C. Beach
	James O. Orlopp
	Richard D. McFarlin

Others:	James C. Chandler,
	Engineer-Manager-Secretary
	Douglas B. Jensen, Attorney

The minutes of the Regular Board Meeting held on Thursday, November 13, 1986 were approved as mailed on a motion by Director McFarlin, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$62,728.02 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Ketscher. Motion carried.

The Board reviewed the Monthly Report. Engineer-Manager Chandler reported that Improvement District 12 showed the full cost of the District pipeline installed on the Flippen Brothers property. One-half of the cost or about \$3,400.00 would be paid by Flippen Brothers which would reduce the year-to-date total. Still the cost of Improvement District 12 is very high and will remain over \$22.00 per acre after the Flippen Brothers share is paid.

Engineer-Manager Chandler reported that the one-half inch rain received in Orange Cove on December 5th and 6th caused landowners to cancel the scheduled water delivery for December 8th. Some landowners wanted reservoirs filled which is the only deliveries scheduled at this time. The District still has 452 acre feet of water available.

At the request of the District, Dennis Keller, of Sorensen and Keller Consulting Engineers, came before the Board to discuss the possibility of purchasing an additional water supply and benefits of consolidating with Hills Valley Irrigation District and Tri-Valley Water District. Mr. Keller started by explaining the State Water Project, cost of water, the cost to convey water to various locations and water exchange with present Central Valley Project water users. Water cost in the Delta will be \$9.39 in 1987. The cost then to get water to OCID would be the cost to convey State water to an exchange contractor, most likely Arvin-Edison Water Storage District. This cost would be \$13.50 to convey water from Dos Amigos Pumping Plant to Tupman, about \$13.00 to convey through the Cross Valley Canal and \$2.00 to the exchange contractor. This would make the water cost at the canal side in OCID about \$37.89. For a permanent supply, the District would have to buy capacity in the Cross Valley Canal. The Kern-Tulare Water District presently has 30 c.f.s. of capacity for sale in the Cross Valley Canal which they are selling in increments of 6 c.f.s., Mr. Keller gave an example of a recent sale in which the purchaser paid \$55,000 per year for a 10 year period for 6 c.f.s. capacity.

On the benefits of consolidating OCID, HVID and TVWD, Mr. Keller stated that the primary benefit to OCID would be that it would become a member of the Cross Valley Canal "Family" which would give OCID a first right to purchase capacity in the Cross Valley Canal.

Engineer-Manager Chandler then asked the Board to hear a review of the billing for capacity in the Anchor Avenue Turnout Structure for Richard Mulholland while Dennis Keller was present. After reviewing some of the history on the temporary turnout installed by Mr. Mulholland and the cost to allocate capacity in the new structure, the Board directed Engineer-Manager Chandler to investigate the cost Mr. Mulholland paid to be a part of Improvement District 5-A system and suggested that if the cost were near equal that Improvement District 5-A pay the cost for the Mulholland capacity in the Anchor Avenue Structure and in return Mr. Mulholland would relinquish all future rights to service from Improvement District 5-A.

At 3:10 P.M. Mr. John Huetter, President of Energy Partners, entered the Board Room. Mr. Huetter was asked by the District to present the proposal by Energy Partners to finance and construct the Kings River Siphon Hydroelectric Project. Mr. Huetter presented a detailed review of Energy Partners proposal including the qualifications of each partner. Following the review, the Board directed Engineer-Manager Chandler to obtain legal review of the proposal before proceeding further with negotiations.

Engineer-Manager Chandler then gave a progress report on the Cove Avenue (Improvement District 3-A) Project. To-date, Fresno County had not been successful in obtaining all the Right-of-Entry for OCID to construct the new water conveyance facility. Mr. Schoemaker had refused to sign. Therefore, the County was going to try to get Right-of-Entry from Messrs. Ruddell and Hornburg on the west side of Cove Avenue. A meeting was scheduled for December 17, 1986 for the County to meet with the landowners on this matter.

Engineer-Manager Chandler then reviewed an agreement prepared by the County to share the cost of acquiring Right-of Way based on a prorata take of land. On a motion by Director Ketscher, seconded by Director Beach, the agreement was approved subject to review by Attorney Jensen.

A brief review of financing for the project was presented by Engineer-Manager Chandler. A fixed rate at 7.5 percent interest or a variable rate at 6.5 percent interest (guaranteed one year) was available from Security Pacific National Bank. Security Pacific National Bank needed to verify with Attorney Jensen that the loan would be tax exempt. The Board expressed interest in going with the fixed rate loan.

Engineer-Manager Chandler reported on the meeting held with the landowners in Improvement District 1AE regarding capacity in Improvement District 3-A regulating reservoir. There was only about one-third of the landowners present at the meeting, but those that were in attendance wanted to participate in the project to acquire regulating capacity for Improvement District 1AE system. Most of the landowners present agreed to talk to other landowners to see if the necessary two-thirds support could be obtained.

Engineer-Manager Chandler reported on requests from landowners to replace certain pipelines. The most recent requests were from Corrin in Improvement District 8, Visalia Pines and Amber Valley in Improvement District 14. The concept presented by Engineer-Manager Chandler was to have the landowners sign up for cost-sharing under programs available through Agricultural Stabilization and Conservation Service and install the system in accordance with standards approved by the District. The District could then share the cost allocated to the landowner and take over operations and maintenance of the systems. This would reduce the total cost to the landowner and to the District.

Under personnel matters, Engineer-Manager Chandler reported to the Board that the average Cost-of-Living Index for the West Coast Region had increase by 3.5 percent and recommended a Cost-of-Living raise of 3.0 percent for the Salary Scheduled employees. Also, Engineer-Manager Chandler suggested a review of his performance and salary as agreed by the Board at the time of his employment. A salary of \$4,000 per month was suggested based on the salary survey performed by the Association of California Water Agencies (ACWA). On a motion by Director Beach, seconded by Director Ketscher, a Cost-of-Living raise of 3.0 percent was granted to the Salary Scheduled employees and a salary of \$4,000 per month for Engineer-Manager Chandler was granted. Motion carried.

Engineer-Manager Chandler then reviewed the letter from Attorney John G. Michael from the office of Baker, Manock & Jensen regarding the Benson-Tarbell Settlement Agreement. Based on the information presented, the Board elected not to become a party to the settlement agreement.

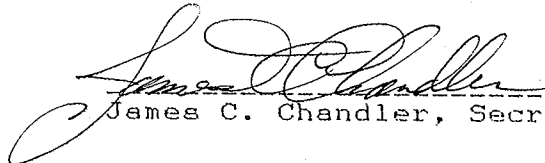
Under other Business, Engineer-Manager Chandler announced the dates for the Workshop and Hearing for the Rules and Regulations of the Reclamation Reform Act of 1982. The Workshop was to be held the evening of December 10th and the Hearing would be December 11, 1986 at the Visalia Convention Center. Also announced was the meeting to review the preliminary PL-566 study of the Orange Cove watershed to be held at Alta Irrigation District at 1:30 P.M. on December 12, 1986.

The proposal by AT&T for a new telephone system was brought before the Board again since it was tabled at the last Regular Meeting. No action was taken by the Board to accept the proposal.

With no further business to discuss, the Board Meeting was adjourned at 5:00 P.M.



 Harvey S. Chase, President



 James C. Chandler, Secretary

