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Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on January 8, 1987.

The Meeting was called to order at 4:25 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  
James H. Wegley,  
Sorensen-Keller Consulting Engineers

The purpose of the Meeting was to determine if construction of the Cove Avenue (I.D.-3A) Project should be attempted this Winter and, if so, take appropriate action as necessary.

Engineer-Manager Chandler gave a brief review of the project and the problems encountered since approval of the additional assessment in September, 1986. The major problem has been brought about by Fresno County not acquiring rights-of-way in time for a November construction start. This seriously increases the risk to the District of higher construction costs and the potential of not completing the project by April 15, 1987.

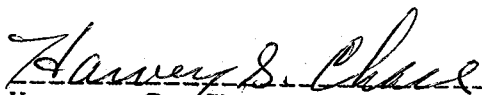
The following three Alternatives were then reviewed.

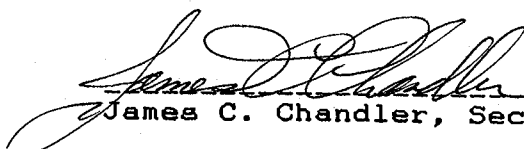
1. Go to bid for the full project.
2. Bid only the pipeline portion.
3. Hold project off until the Fall of 1987.

Each alternative was then reviewed with the potential problems that might be encountered. For Alternative #1, the risk was very high of not getting the system operational by April 15 because of the electrical equipment needed for the pumping plant. Alternative #2, a diesel pump would be used for one season which would eliminate the risk with the pumping plant from alternative #1. However, contract prices may still be very high due to the winter construction with a short performance time. The only risk associated with Alternative #3 was whether or not Fresno County would delay their road construction one year since it would be necessary to have the pipeline in first for the County to use the road alignment presently proposed.

After discussion of the Alternatives, the Board elected to adopt Alternative #3 and ask Fresno County to postpone their construction one year. The Board directed Engineer-Manager Chandler to pursue this issue with county Supervisor Vernon Conrad to make sure there were no technical or political problems associated with a one year delay. If there are problems with the delay, those issues would be addressed as they arise.

With no further business to discuss, the Special Meeting was adjourned at 5:05 P.M.

  
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Harvey S. Chase, President

  
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James C. Chandler, Secretary

CONSENT TO SPECIAL 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 on January 8, 1987 at 4:00 P.M. for the purpose of Cove Avenue (Improvement District 3A) Project.

Dated this 8th day of January, 1987.

DIRECTORS

Harvey S. Chase  
James O. Goff  
Stanley Beach  
Don Ketscher  
Richard N. Zelt

CONSENT TO SPECIAL MEETING

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Dated this 8th day of January, 1987.

DIRECTORS

Harvey S. Chase  
James O. Goff  
Stanley Beach  
Don Ketscher  
Richard N. Zelt

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 14, 1987.

The Meeting was called to order at 1:30 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

At the opening of the Meeting, Engineer-Manager Chandler asked to amend the agenda and a vote by the Board to hear and take action on the new items. Changes in the agenda were to delete the Call-for-Funds for the Friant Water Users Authority and the addition of 1) Litigation regarding the "Hammer Clause" of the Reclamation Reform Act, 2) Call-for-Funds for the Friant Power Authority, and 3) Personnel Matters. On a motion by Director Orlopp, seconded by Director McFarlin, the amended agenda was approved with action to be taken on all items as necessary. Motion carried on a yes vote by all Directors.

The minutes of the Regular Board Meeting held Wednesday, December 10, 1986 were approved as mailed on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

Bills in the amount of \$76,298.32 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

The Monthly Report was then reviewed. The total unadjusted expenditures for the 1986 Fiscal Year were \$128,051.18 for Administration, \$61,290.65 for Operations and \$286,001.85 for Maintenance. The average maintenance cost was \$10.72 per acre with the highest cost at \$24.34 per acre for I.D. 12. The other improvement districts that exceeded \$15.00 per acre were I.D. 6 at \$17.52 per acre, I.D. 6-1 at \$16.89 per acre and I.D. 11BP at \$15.87 per acre.

The water supply was also discussed in that the District has 422 acre feet of water to be used or transferred before the end of February, 1987. It was suggested that this water be carried over to the 1987 water year since it appeared to be a short water year in the making. This could not be done without the Bureau of Reclamation approval which appears to be almost impossible since the Bureau of Reclamation now considers this a new benefit.

Engineer-Manager Chandler presented an "Amendment to the Joint Powers Agreement" for the Friant Water Users Authority and recommended its approval. The Amendment would provide for the inclusion of Porterville Irrigation District as a general member to the Authority. On a motion by Director McFarlin, seconded by Director Beach, the Amendment was approved. Motion carried.

Engineer-Manager Chandler then reported on the schedule and estimated cost for the Delta Hearing. The Hearing would be broken into three phases. Phase I would commence July, 1987, and go through December and would hear testimony from all water users effecting supplies to the Delta. January through June, 1987, would be used to prepare testimony. Phase II would begin January, 1988, and continue until about April, 1989, and would involve the development of water standards for the Delta and an implementation plan. Phase III would begin April, 1989, which would be a water rights hearing to review all post 1914 water rights in the State. The estimated cost for Phase I is \$450,000. Alternative means of financing is being reviewed but is projected to be about ten cents per acre foot to Class I water users at this time.

Engineer-Manager Chandler then reviewed a letter from Mike Catino, Manager of Central Valley Project Water Association, regarding "Litigation to Challenge the Constitutionality of the "Hammer Clause" of the Reclamation Reform Act of 1982." The letter proposed to file a single suit on behalf of all of its member districts unless an individual district excluded itself from the proceedings. Since this letter was not explicit to cost, the Board elected to be excluded from the proceedings.

Engineer-Manager Chandler then gave a status report on the Kings River Siphon Hydroelectric Project. A draft agreement for financing and construction of the project had been received from Energy Partners and forwarded to Attorney David Minasian for legal review. Based on a quick review by Attorney Minasian, the joint venture looked favorable if details could be worked out with the Bureau of Reclamation, the site owner, and Pacific Gas & Electric Company, which holds the power purchase agreement. Engineer-Manager Chandler suggested that in the interest of time, a "Letter of Intent" might be in order if the Board was receptive to signing the Agreement with Energy Partners if and when the details could be worked out. On a motion by Director McFarlin, seconded by Director Beach, a "Letter of Intent" to Energy Partners was approved. Motion carried.

Regarding the Southern San Joaquin Valley Power Authority, Engineer-Manager Chandler presented a "Statement of Commitment" to continue as a member of the Southern San Joaquin Valley Power Authority and a call for the 1987 first quarter funds in the amount of \$1,120.00. On a motion by Director McFarlin, seconded by Director Orlopp, the "Statement of Commitment" and the first quarter funds were approved. Motion carried.

Engineer-Manager Chandler then presented a call-for-funds by the Friant Power Authority for the amount of \$5,000 for continued participation in the Fish Release Power Plant. On a motion by Director Beach, seconded by Director Ketscher, the call-for-funds of \$5,000 was approved. Motion carried.

Engineer-Manager Chandler then presented a resolution to the Board to accept a dedicated easement for constructing, operating and maintaining a pipeline on the Hidalgo Property. On a motion by Director Ketscher, seconded by Director Beach, the easement was accepted for recording with Tulare County. Motion carried.

A Letter of agreement from Baker, Peterson & Franklin, Certified Public Accountants, was then presented to the Board for the 1986 Audit. The Letter addressed the extent of work expected to be done in accordance with the generally accepted auditing standards and an estimated cost ranging from \$7,950 to \$8,550 to perform the audit. On a motion by Director Ketscher, seconded by Director Orlopp, the agreement was approved. Motion carried.

Engineer-Manager Chandler then gave a status report on the Orange Cove Watershed with application under Public Law 566. The flood control aspects of this application looks very good but the irrigation system restoration had an extremely low National priority. An attempt was made by Orange Cove Irrigation District to raise the priority of the watershed application by making the project multi-purpose with energy and water conservation. However, the National Office of U.S.D.A. said the irrigation facilities would only hinder the flood control application. Therefore, the pursuance to be a participant in this application would be dropped.

The proposed Rules and Regulations for the 1987 water year were then reviewed with the Board. Since there were no changes from the 1986 water year, the Board directed Engineer-Manager Chandler to issue the Rules and Regulations as prepared.

Regarding "Public Presentation," no persons appeared before the Board with any items to discuss.

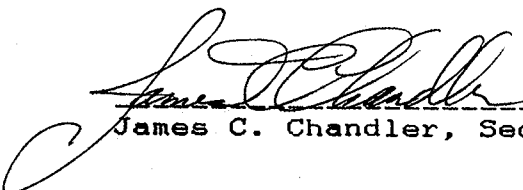
Engineer-Manager Chandler then reviewed the "Personnel Matter" which had been added to the agenda. The first item concerned the location of residence for watertenders. One watertender has requested permission to move his residence to Dinuba which as stated by the employee would be 7.5 miles from the District Office. In the past, it had been generally expected that watertenders live within the District in order to respond quickly to emergencies. Presently, two watertenders live outside the District but within a ten mile commute. However, the circumstance by which they became watertenders was in emergency situations and the District accepted their location of residence as existed. The other matter concerned an employee that did not have a telephone. The District has no written policy on this matter but it creates an inequitable system when all employees are subject to emergency calls. After considerable discussion of the pros and cons of these matters, the Board directed Engineer-Manager Chandler to draft a policy for their review.

Under "Other Business," the following announcements were made.

- A. The Fresno County Augmentation Fund share to Orange Cove Irrigation District for 1986-87 fund year was \$28,000.
- B. The Scripps Institute "Experiment Runoff Forecast" for 1987 for the San Joaquin River was projected to be 81% of normal. The convention project was for 67% of normal.
- C. There would be a Water Users Conference sponsored by the Bureau of Reclamation to be held at Stockton, January 21-23, 1987.
- D. Board members should review their Annual Statements of Economic Interest Forms. If changes are needed, they should notify the District so forms can be ready for signature at the February Board Meeting.

With no further business to discuss, the Board Meeting was adjourned at 3:20 P.M.

  
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 Harvey S. Chase, President

  
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 James C. Chandler, Secretary



Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, February 13, 1987.

The Meeting was called to order at 1:30 P.M. with the following Directors and Officers present:

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

The minutes of the Regular Board Meeting held on Wednesday, January 14, 1987 were approved as mailed on a motion by Director Beach, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$122,618.57 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

The Monthly Report was then reviewed. Engineer-Manager Chandler reported Cash Deposits with the Local Agency Investment Fund are \$989,000 earning interest at the rate of 7.35 percent.

Unused water for 1986 was 422 acre feet. Precipitation for 1986-87 water is very low to-date. Year-to-date, this year, at Huntington Lake is only 9.80 inches compared to a year-to-date normal of 34.94 inches. Orange Cove precipitation was 4.03 inches to-date compared to 6.97 inches year-to-date of normal. The San Joaquin River forecast for April to July runoff was 40 percent of normal at 500,000 acre feet.

Under "Water Supply," Engineer-Manager Chandler presented a more detailed review. The U.S. Bureau of Reclamation has made a 70 percent Class I water supply declaration for the Friant System. This would mean 27,440 acre feet of water for Orange Cove Irrigation District. Engineer-Manager Chandler has requested 2,500 acre feet from Tulare Irrigation District if the 70 percent year holds, plus a carry-over potential of 442 acre feet would provide Orange Cove Irrigation District with 30,362 acre feet of water.

The "Carry-Over" Agreement was then discussed. If signed by all the Long Term Contractors on the Friant System, unused water would simply be left in the reservoir and be re-distributed in the 1987 water season. On a motion by Director McFarlin, seconded by Director Ketscher, the Board agreed to participate in this Agreement.

Engineer-Manager Chandler then discussed the need to develop a computer program to track water use for growers by turnouts if the District has to prorate water supplies. This would help growers manage their available supplies on a monthly bases to prevent over use early in the season and inadequate supplies in late season. The estimated cost to develop this program by Boelter Computer Services was between \$2,522 and \$3,298. No action is needed on this item until the District is sure there is going to be a short water year.

Under the Kings River Siphon Hydroelectric Project, Engineer-Manager Chandler gave a status report on activities for this project. First review of the Agreement between Orange Cove Irrigation and Energy Partners had been completed by Attorney David Minasian. Energy Partners are presently responding to Attorney David Minasian's comments. Energy Partners were hopeful that this Agreement could be executed by the end of March, 1987, so they could secure financing and order generators in April, 1987. The generators have a twelve month delivery time following the execution of a purchase order.

Also, associated with the Kings River Siphon Hydroelectric Project, an escrow account to reserve line capacity in Pacific Gas & Electric Company's transmission lines needed to be established. The account would be established in the amount of \$5,000.00 for 1,000 kilowatt capacity. On a motion by Director McFarlin, seconded by Director Beach, the escrow fund was approved. Motion carried.

The Letter of Agreement between Orange Cove Irrigation District and the U.S. Bureau of Reclamation was to establish a fund for the Bureau to draw on to pay for services rendered for the Kings River Siphon Hydroelectric Project. The Agreement would establish a maximum of \$10,000 with an advance of \$5,000. On a motion by Director McFarlin, seconded by Director Beach, a resolution was approved authorizing the signing of the Agreement and a pre-payment of \$5,000.00. Motion carried. (Resolution 3-87.)

Engineer-Manager Chandler then discussed Robert Denney's letter concerning the maintenance problems on Improvement District 14 (South). The letter was in regards to the number of leaks that continually occur between the turnouts for Visalia Pines and Amber Valley properties. The pipeline length between these two turnouts is about 3,400 feet with about 12 to 20 leaks each year. The leakage problem does considerable damage to trees on Visalia Pines property and interfere with cultural operations in the heavy clay soil. The cost for repairs has been ranging between \$5,000 and \$7,000 per year. The estimated cost to replace the Improvement District 14 (South) lateral was about \$27,000. However, a temporary over-the-bank turnout could be installed for about \$5,000. The Board directed Engineer-Manager Chandler to pursue the over-the-bank turnout with payment for the system the same as for George Brothers.

Engineer-Manager Chandler then reported on the "Landowners Advisory Committee" meeting for Improvement District 12. The members of the Advisory Committee were interested in replacing the existing system. However, the group did not feel that an added assessment of about \$24.00 would be approved by the landowners even though it would be about equal to present maintenance cost. The Advisory Committee wanted to wait until a response from the U.S. Bureau of Reclamation was received regarding a no-interest "Rehabilitation and Betterment" loan. Then another meeting would be held to discuss a plan of action.

Under vehicle replacement, Engineer-Manager Chandler reported that vehicle #10 (pickup) and vehicle #9 (maintenance truck) were scheduled to be replaced this year. Since the District is looking at alternative means of performing maintenance, it was recommended that the District retain vehicle #9 one more year and replace only vehicle #10 this year. On a motion by Director Beach, seconded by Director McFarlin, a resolution was presented to purchase a six cylinder Ford Ranger through State of California Bid. (Resolution 2-87.) Motion carried.

Engineer-Manager Chandler reported on the gas leak problem. The Regional Water Quality Control Board is requiring an investigation of the gas tank leak to determine if pollution of the ground water had occurred. Based on a telephone conference with Consolidated Testing Laboratories, the preliminary investigation would cost \$12,000 to \$15,000. The Regional Water Quality Control Board required that an investigation plan be submitted to their office by March 2, 1987. It appears the only option at this time would be if the District could get an agricultural exemption for the 1,000 gallon gas tank.

Under personnel matters, Engineer-Manager Chandler discussed the request by Richard Hayes to make a withdrawal from his retirement fund to purchase a residence. After considerably discussion on this matter, the Board directed Engineer-Manager to develop a policy regarding the retirement fund withdrawals and location of residence for employees.



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Engineer-Manager Chandler then reported on Improvement District 5 North. Mr. Mulholland had indicated that he would relinquish all rights to Improvement District 5A if the landowners in Improvement District 5A would pay the capacity cost in the Hills Valley turnout in exchange for the money he had originally invested in the 5A system. After counsel with Attorney Doulgas B. Jensen, it was decided that the added assessment of about \$16.00 per acre could be assessed against the Improvement District 5A landowners by Board action since it represented a capacity improvement on an existing system. After considerable discussion, the Board elected to take no action on this item since the cost appeared disproportionately high for the capacity to be received.

Under Public Input, Mr. Joseph Bungartz came before the Board to discuss a road crossing leak in Improvement District 5B. Mr. Bungartz was unhappy because past repairs had failed. Furthermore, he was not please with the idea of using epoxy to ~~make repairs since insufficient use~~ within the District had been made to test the material. The only viable alternative to the District at this time would be to replace the pipeline crossing the road. To do this, the cost would probably exceed \$10,000. After further discussion, Director Ketscher made a motion, seconded by Director McFarlin, to first make the repairs using special formulated epoxy material and should this fail, replace the under-the-road section of pipeline. Motion carried.

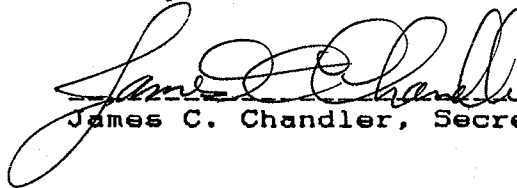
Also, under Public Input, a letter from Mr. & Mrs. John Smoljan was presented to the Board regarding his Maintenance Bill. After discussion on this matter, the Board directed Engineer-Manager Chandler to respond to the letter pointing out the District rules and regulations for Operations and Maintenance.

Under other business, Engineer-Manager Chandler discussed the up-coming application for a "Water Conservation Loan" from the State of California which might be used to rehabilitate some of the irrigation systems. Also, announcement was made of the up-coming ACWA Convention in May, 1987.

With no further business to discuss, the Board Meeting was adjourned at 4:30 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 Wednesday, March 11, 1987.

The Meeting was called to order at 1:30 P.M. with the following Directors and Officers present:

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

The minutes of the Regular Board Meeting held on Friday, February 13, 1987 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$53,668.54 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

The Monthly Report was then reviewed. Engineer-Manager Chandler reported Cash Deposits in the Local Agency Investment Fund are \$1,284,000 earning interest at the rate of 7.26 percent.

The water supply declaration by the U.S. Bureau of Reclamation had been raised from 70 percent to 80 percent. The 80 percent supply plus 422 acre feet carry-over would give the District 31,782 acre feet for the year. The request to Tulare Irrigation District for an additional 2,500 acre feet is still standing. Precipitation at Huntington Lake is 16.30 inches to-date with normal to-date of 28.42 inches. The Orange Cove precipitation is 6.50 inches compared to the normal of 9.19 inches to-date. The San Joaquin River forecast for the water year was 41 percent of normal at 757,000 acre feet.

A water supply policy for short water years was then discussed. Engineer-Manager Chandler suggested that such a policy be developed and added to the operating Rules and Regulations for water deliveries. The purpose of such a policy would be to advise water users how water allocations would be made prior to the deadline for water purchases. After considerable discussion, the Board directed Engineer-Manager Chandler to draft the policy for Board approval.

Engineer-Manager Chandler gave a status report on the Kings River Hydroelectric Project. The second draft of the Agreement between Orange Cove Irrigation District and Energy Partners had been sent to Attorney David Minasian for review. The major concerns from the first review by Attorney David Minasian had been addressed in the second draft. It was reported that the goal by Energy Partners was to have a signed Agreement with Orange Cove Irrigation District by the end of April in order to issue timely invitations for bids for the generating equipment. A graph showing the revenues sharing proposal was then reviewed with the Board.

Under "Delta Hearings," Engineer-Manager Chandler reviewed a letter from Central Valley Project Water Association addressing the importance for District support during the Delta Hearings. The letter also addressed the proposed assessments to various types of water users. Class I water users would be assessed at \$0.10 per acre feet of entitlement. A bill for the assessment to Orange Cove Irrigation District for the amount of \$3,920.00 was then presented. On a motion by Director Orlopp, seconded by Director Beach, the bill was approved and ordered paid 50 percent by March 15, 1987, and 50 percent by September 15, 1987. Motion carried.

Engineer-Manager Chandler then reported on the Contract Renegotiation meeting held between the Friant water users and the U.S. Bureau of Reclamation, March 4, 1987. at the meeting, the Bureau stated they had dropped the idea of looking into the water transfer issue. This is the first time the Bureau had stated this position which is very desirable to Orange Cove and several other districts taking water from the Friant System. The Bureau also presented the schedule for which they would like to see events take place. The draft of the contract issue would be sent to the Districts by May 1, 1987, comments back to the Bureau by June 1 (maybe June 30 if additional time is needed) and meet with Mr. Houston 15 days later to discuss any difference regarding the issues. Actual negotiations with the Districts are scheduled to start about October 1987.

The computer problems were then discussed. The services of the computer was lost on March 5th with the main unit going down. The District was waiting for a report on the problem and cost to restore the unit. Since the information was not available at this time, the matter was not discussed further.

A letter from U.S. Bureau of Reclamation regarding District's request for a "Rehabilitation and Betterment Loan" was then discussed. Staff attorney in the Office of the Solicitor expressed the opinion that the District could not qualify for the R&B loan because the facilities were privately financed and constructed. He felt the R&B loans were restricted to federally financed and/or constructed facilities. However, from information received, it appears that other districts with privately financed systems may have gotten R&B loans through the Bureau of Reclamation. A follow-up with some of these districts would be made to see what the circumstances are with those districts.

Also, the California Water Conservation Loan program was discussed. Loans up to \$5,000,000 per water conservation project are available from the State. The interest rate for the loans would be about 3.5 percent with a repayment period up to 20 years. To qualify for a loan, a project must show a water savings and have benefit to cost ratio better than 1.0. The Cove Avenue project had been tested against this criteria but could not show a favorable benefit to cost ratio based on the loan criteria. The District's worst system (I.D.-12) would also be tested against the criteria. If this system could meet the criteria, a loan application for I.D.-12, and perhaps other qualifying systems, may be the best approach for system rehabilitation for near future.

Engineer-Manager Chandler then gave a status report on the District's gas leak problem. An investigation plan had been prepared by Consolidated Testing Laboratory and submitted to the Regional Water Quality Control Board for their review. The estimated cost to conduct the work described in the plan is \$10,550. There appears to be no alternatives to carrying out the investigation work unless there is some legislative repeal or amendment of the law because of the immense problems and political pressures, within the State.

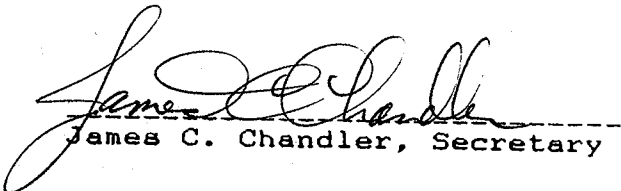
Under "Turnout 5 North," Engineer-Manager Chandler presented a plan to use Fresno County Augmentation Fund to offset part of the cost of buying capacity in the Hills Valley turnout. The primary reason being that the District could not install a permanent turnout for the equivalent cost. Also, to maintain separate turnouts for Mr. Mulholland's property and the other landowners in Improvement District 5A represents a betterment to all in the terms of capacity. If the Fresno County Augmentation Funds were used for these lands within Fresno County, the remaining cost to Mr. Mulholland and the 5A landowners would be about \$5.00 per acre. On a motion by Director Ketcher, seconded by Director McFarlin, the concept was approved. Motion carried.

A letter from Mr. John Hovannisian regarding delinquent payment for his Maintenance Bill, and a letter from Mr. C. R. Poley regarding a delinquent water payment were reviewed. Both letters were asking for the delinquent charges to be dropped plus the letter from Mr. Poley was requesting reinstatement of this water allotment. After discussion of the matter, the Board emphasized that it is the landowners responsibility to make timely payments regardless of the circumstances. As such, the delinquent charges would be assessed and Mr. Poley would receive water subject to availability.

Engineer-Manager Chandler then requested that the Board hear an item not printed on the agenda. On a motion by Director Orlopp, seconded by Director Beach, and a yes vote by all Directors, the subject of establishing an equipment replacement fund equal to equipment depreciation was discussed. The Board consensus was not to establish a special fund for the sole purpose of replacing equipment.

With no further business to discuss, the Board Meeting was adjourned at 3:55 P.M.

  
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Harvey S. Chase, President

  
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James C. Chandler, Secretary



Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 8, 1987.

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

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

The minutes of the Regular Board Meeting held on Wednesday, March 11, 1987 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$55,012.90 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The Monthly Report was then reviewed. Engineer-Manager Chandler reported Cash Deposits in the Local Agency Investment Fund are \$1,249,000 earning interest at the rate of 7.25 percent.

The water supply declaration by the U.S. Bureau of Reclamation was still at 80 percent for the Friant System. The water supply forecast would be updated by the Bureau in a meeting to be held April 10, 1987. March precipitation was slightly over normal. Orange Cove received 2.31 inches compared to 2.02 inches of normal and Huntington Lake received 6.60 inches compared to normal of 6.52 inches. The San Joaquin River forecast for the April through July runoff is 530,000 acre feet, 42 percent of normal. The runoff for the water year is projected to be 757,000 acre feet, 41 percent of normal.

Engineer-Manager Chandler then gave a status report on the Kings River Siphon Hydroelectric Project. Comments from Attorney David Minasian had been incorporated into the draft agreement between the District and Energy Partners for the site development. The goal for signing the Agreement was moved from the end of April to early May to get funds committed for a construction start this year. It was also reported that the review period for the FERC License was about over and no negative comments had been received by the District to-date. Also, Engineer-Manager Chandler and John Huetter, Energy Partners, met with the Bureau in Sacramento to scope the project for the Bureau and to get the site use agreement started between the Bureau and the District.

Under "State of California Water Conservation Loans," Engineer-Manager Chandler reported on the opportunity to apply for water conservation loans through the State which if received could provide an early source of funds for system rehabilitation. Qualifying projects could receive loans up to 20 years at an interest rate of about 3.5 percent. Two of the criteria for the application were that the project had to show a water savings and it must have a benefit to cost ratio greater than 1.0. The plan would be to test the worst system (I.D. -12) first and if it met the criteria, test as many of the other systems as time permitted and submit those applications. On a motion by Director Orlopp, seconded by Director Beach, Engineer-Manager Chandler was directed to prepare and submit loan applications for qualifying systems. Motion carried.

The scheduled events of the ACWA Convention was then discussed. Engineer-Manager Chandler requested the Board members attending the convention to submit the events they wanted to attend so pre-registration can be made prior to April 24, 1987.

The over-the-bank turnout for I.D. 14 (South) was then discussed. The Bureau of Reclamation put a stipulation on the permit that would require the District to remove the pipe from within the canal and place it under the canal lining during the dewatering period in 1988. The cost estimate to modify the turnout in 1988 is about \$2,500. Engineer-Manager Chandler suggested that he discuss the matter further with the Bureau to see if they would reconsider this item or perhaps grant an extension if the District is about ready to replace the existing water conveyance pipeline.

Under "Water Availability," the term "subject to availability" was discussed to assure District policy in making water delivery to late purchasers in short water years. The Board emphasized that the water supplies and purchases would be reviewed monthly to determine if the supplies were sufficient to expand the delivery acreage.

The schedule for the next Board Meeting was then discussed. Since the next meeting date fell during the ACWA Convention, May 7, 1987 was selected for the next meeting date.

Under "Public Input," two landowners came before the Board regarding repairs on road crossings that served their land. In both cases, the turnouts were on the opposite side of the road from their property and the question had arose as to whom should pay for the repairs. After discussion on this matter, the Board stated that it was District policy to deliver water to the property. Therefore, the District was responsible for maintenance of the delivery systems up to the property line regardless of the turnout location.

There were two items to bring before the Board that were not listed on the agenda. On a motion by Director Beach, seconded by Director Orlopp and a yes vote by all Directors present, a letter from the Bureau of Reclamation regarding interest in additional water supplies from the CVP System and the need to purchase District locks were discussed. After discussion, the Board elected not to pursue additional water from the CVP System.

Regarding District locks, the Friant Water Users Authority had notified the District that they were re-keying all of their canal locks and if the District wanted to maintain access to the canal we would have to put our own locks on the gates. Also, ACWA/JPIA had notified the District that we should change all our locks to reduce the risk of theft. Engineer-Manager Chandler presented three bids and recommended the purchase of 40 locks from the American Lock Company which would furnish re-keyable brass locks, stamped "OCID," and maintain permanent records at the factory. On a motion by Director McFarlin, seconded by Director Beach, the purchase of the American locks was approved.

With no further business to discuss, the Board Meeting was adjourned at 3:40 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 Thursday, May 7, 1987.

The Meeting was called to order at 1:05 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

The minutes of the Regular Board Meeting held on Wednesday, April 8, 1987 were approved as mailed on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

Bills in the amount of \$71,787.89 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Orlopp. Motion carried.

The Monthly Report and water availability report were then reviewed. Cash in the Local Agency Investment Fund is \$1,229,000 earning interest at the rate of 7.04 percent.

The Water Supply meeting with the Bureau of Reclamation is to be held the following day, May 8, 1987. However, the projections were that the water supply declaration would drop from 85 percent to 70 percent or lower. Based on a 70 percent projection, water available to the District, including carry over, would be 27,862 acre feet. This would provide a supply of about 1.19 acre feet per acre for the water users that purchased water on time. The late water purchasers and those with second right lands fall under the "Subject to Availability" criteria and would not have any water at this time.

The Regular Meeting was recessed at 2:00 P.M. for the Board to hold a Hearing for a proposed added assessment to the 5A Landowner Association. The landowners present for the Hearing were:

Richard Mulholland  
Tom Mulholland  
Ernest Mason  
Walter Hayhurst  
H.J. Kirchman  
Arthur Nisewanger  
Richard Molenda

President, Harvey S. Chase opened the Hearing and asked Engineer-Manager Chandler to explain the purpose of the Hearing. Engineer-Manager Chandler first explained the Hearing procedure which was outlined on the blackboard. He then explained the purpose of the Hearing which was to buy permanent capacity in the Hills Valley Improvement District Anchor Avenue Turnout Structure. The permanent capacity in this structure would serve to replace the temporary turnout now serving the Mulholland land and provide a permanent separation from the other landowners in 5A to prevent excess demands on the System 5A.

After considerable discussion on the project, President Chase asked if there were any objections to:

- a) The land to be included for distribution of cost.
- b) The project.
- c) The cost of the project.
- d) The assessment.

Hearing no objections, President Chase asked for a Resolution and Final Order to add a one-time assessment for all the land presently lying within the SA Landowner Association boundaries. On a motion by Director Ketscher, seconded by Director Beach, a Resolution and Final Order was presented. President Chase asked Secretary Chandler for a roll call vote and as such:

Director Orlopp - Aye  
 Director Chase - Aye  
 Director Ketscher - Aye  
 Director Beach - Aye  
 Director McFarlin - Absent

Motion carried. Resolution (5-87.)

The Hearing was then adjourned and the Regular Meeting of the Board reconvened at 2:35 P.M.

Engineer-Manager Chandler then gave a brief status report on the Kings River Siphon Hydroelectric Project. Attorney David Minasian and Engineer-Manager Chandler had reviewed several drafts of an Agreement with Energy Partners to develop the site. At this time, the concerns are still in regards to the assurances Energy Partners could give the District for completing the project. A meeting would be scheduled in the near future to discuss these issues more before bringing the Agreement before the Board.

Under System Rehabilitation Loans, Engineer-Manager Chandler explained that four applications had been submitted to the State of California for their low interest water conservation loans. All applications had benefit to cost ratios of about 2 to 1. The applications were for Improvement Districts 1AE, 9, 10 and 12. It would be a few months before the District will know the outcome of the applications since they will be funded on benefit to cost priority bases.

Engineer-Manager Chandler also discussed the potential for a PL-984 loan. The legislation for the Coordinated Operating Agreement between California and the Federal Government had created an additional \$600 million for the Bureau's PL-984 no interest loan program. The maximum any state could receive would be 20 percent or \$120 million. Within California, applications in the amount of about \$60 million for new projects were submitted to the Bureau. However, it was reported by CH2M Hill Engineering that system rehabilitation would have a priority over new systems. Engineer-Manager Chandler said he would gather additional information on the loan program and report back to the Board.

Engineer-Manager Chandler then explained the new agricultural power rates offered by P.G. & E. the existing rate program will be phased out and converted to 5 different ag. rates. The different rates would let users select the most beneficial program based on their power usage. Engineer-Manager Chandler recommended that the District select the AG-6 rate for all pumps using over 2500 hours. The AG-6 program will become the AG-5 program in about one year when P.G. & E. has installed the time-of-use meters. This program if properly managed should save the District money on its pumped systems. On a motion by Director Beach, seconded by Director Ketscher, the Board approved the signing of contracts with P.G. & E. for all pumps using more than 2500 hours per year. Motion carried.

The Friant Water Users Authority issued a call for funds for the second installment of the General Member budget. the amount due by the District is \$2,069.28. On a motion by Director Orlopp, seconded by Director Beach, the second installment was approved. Motion carried.

Engineer-Manager Chandler then reviewed the gas leak problem. The California Regional Water Quality Control Board had approved the work plan for determining the extent of the gas plume. The Regional Board had requested results of the investigation by August 20, 1987. This problem has also been discussed with Attorney Michael Campos to see if there are any alternatives at this time. Attorney Campos suggested developing a cleanup plan with predetermined cleanup limits approved by the Regional Board and the County. Engineer-Manager Chandler requested approval of the Board to start the work on the alternative that appeared to be the most appropriate. On a motion by Director Ketscher, seconded by Director Beach, authorization to proceed was given. Motion carried.

Engineer-Manager Chandler then discussed the need to hire a student engineer for the Summer. A student engineer with programming capability could be a tremendous benefit to the District for system design and power management. On a motion by Director Ketscher, seconded by Director Orlopp, hiring of a student engineer for the Summer was approved. Motion carried.

Engineer-Manager Chandler then reviewed the appraisal of Manuel Silva's property that the District wanted to purchase for the Cove Avenue Regulating Reservoir. After discussion of the alternatives, the Board directed Engineer-Manager Chandler to continue negotiations for the property.

Under District Elections, it was noted that Directors Ketscher, Beach and McFarlin positions would be up for elections November 1987. Also a resolution was due into Fresno and Tulare Counties offices by July calling for the General District Election and Consolidation of the General Election. On a motion by Director Orlopp, seconded by Director Ketscher, Resolution #4-87 was offered. Motion carried.

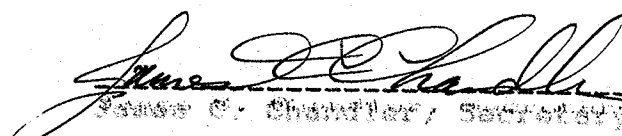
Under Public Input, several water users that purchased water late appeared before the Board to express their concerns of not having any water available for their use. Engineer-Manager Chandler explained that the District was trying to purchase additional water supplies from other Districts. At this time, there are no details available as to supply availability or cost. However, everyone that requested water will be notified as soon as additional supplies are purchased. Also, the District will assist to the extent possible with water exchanges between landowners in the District.

Engineer-Manager Chandler then discussed a leaky section of pipe on System 7 that serves delivery 10. The pipe had been repaired several times but continued to leak. This section of pipe could be replaced with a plastic pipeline for the cost of repair. Engineer-Manager Chandler requested approval to replace this line and other problem lines when the reoccurring maintenance cost exceeds the repair cost up to a limit of \$5,000. On a motion by Director Ketscher, seconded by Director Beach, approval was given for replacement in lieu of maintenance not to exceed \$5,000 without prior Board approval. Motion carried.

A second quarter call for funds in the amount of \$1,120 for the Southern San Joaquin Valley Power Authority was presented to the Board. On a motion by Director Orlopp, seconded by Director Ketscher, the call for funds was approved. Motion carried.

With no further business to discuss, the Board Meeting was adjourned at 3:30 P.M.

  
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Harvey S. Chase, President

  
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James O. Chandler, Secretary



Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 3, 1987.

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

Others:

James O. Orlopp  
James C. Chandler  
Engineer-Manager-Secretary  
David H. Minasian, Attorney

President Chase opened the meeting and asked Engineer-Manager Chandler to explain the objectives of the meeting. As such, Engineer-Manager Chandler gave a status report on the Kings River Siphon Hydroelectric Project and the efforts of the District to finalize a development agreement with "Kings River Siphon Hydropower", formerly "Energy Partners". Then Attorney David Minasian reviewed the risk to the District if proper assurances are not provided by the developer.

After considerable discussion and review of alternatives, the Board elected not to sign an agreement with any developer until the FERC License and the U.S. Bureau of Reclamation Agreement were completed. Furthermore, the Board directed Engineer-Manager Chandler to request proposals from other developers for possible development of the project.

Under "Water Issues", Engineer-Manager Chandler reviewed the Bureau's water supply declaration and the allocation and pricing of supplemental supplies. The Bureau had reduced their Class I forecast from 85% to 64% which reduced the allocation to 1.19 acre feet per acre for the water users that purchased their water on time. A supplemental supply of 1,120 acre feet had been purchased from Kern-Tulare Irrigation District and was offered to the "First Right" lands that had not purchased water by February 25, 1987. Any supply remaining would be allocated to the "Second Right" lands. The cost for the Kern-Tulare water would be about \$60.00 per acre foot at the Friant-Kern Canal.

Engineer-Manager Chandler then reviewed a water exchange proposed by the Tulare Irrigation District. The exchange would be on a 4 to 1 basis. Each acre-foot taken would be repaid with 4 acre feet under conditions specified by Tulare Irrigation District. Tulare I.D. would not accept a direct purchase of the water. It was highly unlikely that Orange Cove I.D. could return the water before a new contract is signed with the Bureau which would make the price close to Friant-Kern water. Under the current conditions, the Board elected not to enter into an exchange agreement with Tulare Irrigation District.

With no further business to discuss, the Special Meeting was adjourned at 11:10 A.M.

*Harvey S. Chase*

Harvey S. Chase, President

*James C. Chandler*

James C. Chandler, Secretary

CONSENT TO SPECIAL 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 on June 3, 1987 at 9:00 A.M. for the purpose of Kings River Siphon Hydroelectric Project and Water Issues.

Dated this 3rd day of June, 1987.

DIRECTORS

James S. Chase  
James G. Long  
Stanley Beach  
W. Ketscher  
Rahel McZdi

CONSENT TO SPECIAL MEETING

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Dated this 3rd day of June, 1987.

DIRECTORS

James S. Chase  
James G. Long  
Stanley Beach  
W. Ketscher  
Rahel McZdi

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 10, 1987.

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  
Richard D. McFarlin  
James O. Orlopp

Others: James C. Chandler  
Engineer-Manager-Secretary  
Joe Mastro, CPA,  
Baker, Peterson & Franklin

Minutes of the Regular Board Meeting held on Thursday, May 7, 1987 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$230,594.87 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

The Monthly Report and water availability report were then reviewed. Cash in the Local Agency Investment Fund is \$1,235,000 earning interest at the rate of 7.14 percent. The interest rate increased from 7.02 to 7.14 percent over the last month.

The water supply by the Bureau of Reclamation was increased from 64% to 74% for the Class I supply. The Bureau would only permit the use of the District's original 70% water schedule through August. The extra 4% would have to be scheduled after August because of low storage in Millerton Lake. The Friant supply to the District, including carryover, is 29,430 acre feet. The District has purchased and scheduled delivery of an additional 1,120 acre feet for "Subject to Availability" and "Second Right" water users.

Under the 1986 Annual Audit report, Mr. Joe Mastro, CPA, from Baker, Peterson and Franklin reviewed the Audit report. Mr. Mastro discussed the Accountants Report and then reviewed the Financial Statements. After discussion, a motion was made by Director Beach, seconded by Director McFarlin, to accept the 1986 Annual Audit. Motion carried.

Engineer-Manager Chandler then reviewed a letter from Fresno County stating that the County had over-paid the District with Special Augmentation funds. The County was requesting a repayment of \$38,976 which was excess to the District's allocation. On a motion by Director Ketscher, seconded by Director Orlopp, the repayment of the Augmentation money was approved. Motion carried.

A Resolution to amend the Friant Water Users Authority's Joint Powers Agreement was presented to the Board. The Amendment would admit Chowchilla Water District as a General Member to the Authority. On a motion by Director McFarlin, seconded by Director Beach, the Resolution was approved. Motion carried. Resolution 6-87.

Engineer-Manager Chandler then gave a status report on the gas leak problem. Observation wells were installed around the perimeter and soil test taken to check for gas contamination of the surrounding area. Water samples would be collected and tested in the following week. The objective is to try to prove no contamination of groundwater.

Under Personnel, Engineer-Manager Chandler reviewed with the Board those employees that were eligible for salary step increases and adjustment of salaries for supervisory personnel. After considerable discussion of the matter, Director Ketscher moved, seconded by Director Beach, that Efrain Aguirre, Art Pipkin, Pete Lockwich and Lorraine Celaya be given step increases, and Howard Barker and Adolfo Martinez be granted a 5 percent salary adjustment. Motion carried. Also, the Board directed Engineer-Manager Chandler to review and draft a new policy regarding the two times per year that employee pay and benefits come before the Board for salaried employees.

Engineer-Manager Chandler then discussed the availability of a Televideo computer terminal that matched the District's present system. Visalia Computer Technology received the terminal in trade for a new equipment and would sell it to the District for \$500 and guarantee its operations. Engineer-Manager Chandler recommended the purchase of the terminal for use by the student engineer for program development during the Summer. On a motion by Director Orlopp, seconded by Director Ketscher, purchase of the equipment was approved. Motion carried.

Under Power Projects, Engineer-Manager Chandler reviewed a letter from John Boudreau regarding the status and alternatives of the undeveloped projects under the Friant Power Authority. Also, alternatives were reviewed regarding direction the Southern San Joaquin Valley Power Authority should take in bringing power in from the Pacific Northwest. The alternatives were to go with P.G. & E. for total service or buy power from Portland and try to get a "wheeling" agreement from P.G. & E. After reviewing the pros and cons, the Board consensus was to go with P.G. & E. for total package.

With no further business to discuss, the Board Meeting was adjourned at 4:15 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 Wednesday, July 8, 1987.

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
Absent:	Stanley C. Beach Richard D. McFarlin
Others:	James C. Chandler, Engineer-Manager-Secretary Douglas B. Jensen, Attorney

Minutes of the Regular Board Meeting held on Wednesday, June 10, 1987 were approved as mailed on a motion by Director Ketscher, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$74,471.18 were reviewed, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher. Motion carried.

The Monthly Report and water availability report were then reviewed. Cash in the Local Agency Investment Fund at the end of June was \$1,095,000 earning interest at the rate of 7.21 percent. The interest rate had a slight increase for the second consecutive month.

The July forecast water supply by the U.S. Bureau of Reclamation was increased from 74 to 79 percent. This forecast would give the District 31,390 acre feet from the Friant supply including the 422 acre feet carryover. To date, the District has purchased 2,210 acre feet from supplies outside the District for individuals.

At 2:00 P.M., Mr. Richard Chelini, USBR, Sacramento, and Mr. Dan Fultz, USBR, Fresno, came before the Board to explain the conditions and application procedure for a PL-984 Loan for rehabilitation of the District's distribution system. After a very thorough explanation by Mr. Chelini and discussion by the Board, a resolution was offered by Director Ketscher, seconded by Director Orlopp, authorizing Engineer-Manager Chandler to start the application procedure for the PL-984 Loan. Motion carried. See Resolution 7-87.

Engineer-Manager Chandler then discussed the "Rate Setting Policy" proposed by the Bureau of Reclamation and the O & M deficit charged to the District. Under new regulations, any O & M deficit occurring after October 1985 would be charged interest at the rate charged to loans made by the Federal Government. For the District, \$150,000 deficit had accrued prior to October 1985. An additional \$138,000 accrued in 1986 and interest was charged at the rate of 10.75 percent. Interest will be compounded annually for all O & M deficit accruals after October 1985. Options for the District are:

1. Start collecting full O & M cost for water and pay against the interest bearing deficit.
2. Pay in full all interest bearing deficit.
3. Start collecting full O & M cost and pay some portion of the accrued interest bearing deficit.
4. Do nothing until new contract is executed in 1989.

The consequence of this matter is that the greater the O & M deficit becomes, the higher the water rates will be in the future. It was agreed that this matter should be discussed further in the near future so a decision could be made for water pricing for 1988.

Next, a brief status report was given on the Kings River Siphon Hydroelectric Project. According to the FERC, the License for the project should be issued to Orange Cove Irrigation District in about two weeks. Also, a development proposal from John Eastwood and Associates should be received in a few days. The Friant Power Authority had received a proposal to develop the Fish Release Project but the proposed revenue sharing was quite low.

Under the Gas Leak Problem, Engineer-Manager Chandler reported that the soil and water test taken from the monitoring wells showed no contamination from the gas leak. The three wells located within 50 feet of the source should show contamination if the leakage was sufficient to cause a problem. Consequently it was felt that a letter to the Regional Water Quality Control Board in lieu of the full investigation report might get this case closed.

Engineer-Manager Chandler then reported on a meeting he had with Mr. Manuel Silva regarding the purchase of a parcel of ground to construct a regulating reservoir as part of the Improvement District 3A Project. Mr. Silva insisted that he wanted \$5,000 per acre regardless of the appraised value. Therefore, on a motion by Director Ketscher, seconded by Director Orlopp, the Board directed and ordered Engineer-Manager Chandler and Attorney Douglas B. Jensen to start condemnation proceedings on the property. Motion carried.

The Notice of General District Election was reviewed giving dates and time to pickup and return petitions for the Board members whose terms would expire this year.


A letter from Merl Ledford III, Attorney for Allied Farming was reviewed. The letter threatened to replace pipelines at District expense unless the leaks are repaired in the system. Pictures were shown to the Board that showed one leak with water standing on the surface of the ground but not adjacent to any trees. This company has complained often of the leaks but field visits have only revealed seep area with no flowing water. This is considered quite minor compared to the rest of the problems within the District. Also, the tree row in question is on the District's right-of-way. No action was taken on this item.

Under Spray Water, a brief discussion concerning the potential hazard and District liability from chemical concentrations around District stands took place. After some discussion, this item was tabled for the next Board meeting.

Since no one had appeared before the Board for public comment, Engineer-Manager Chandler requested that the Board hear two new items that needed immediate attention that come up following the posting of the Agenda. On a motion by Director Orlopp, seconded by Director Ketscher, the Board agreed to hear the items.

First, a water exchange agreement needed Board approval to transfer additional water into the District during this water short year. On a motion by Director Orlopp, seconded by Director Ketscher, the agreement was approved. The second item was a resolution authorizing Richard Moss to work out the details for wheeling water to implement the water exchange agreement. On a motion by director Ketscher, seconded by Director Orlopp, the resolution was approved. Motion carried.

With no further business to discuss, the Board Meeting was adjourned at 4:00 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 Wednesday, August 12, 1987.

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

Directors

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

Officers

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

Minutes of the Regular Meeting held on Wednesday, July 8, 1987 were approved as mailed on a motion by Director Beach, seconded by Director Orlopp. Motion carried.

The procurement of the Silva property was then discussed. Mr. Manual Silva, his daughter and son-in-law, Mr. and Mrs. Robert Lamas, were present for the discussion. Attorney Jensen explained the procurement procedure and the necessity for starting condemnation. Engineer-Manager Chandler then explained the proposed project and the benefits of having the Silva property for constructing a regulating reservoir. After discussion, a resolution was offered by Director Beach, seconded by Director McFarlin, authorizing the acquisition of the Silva property. Motion carried on a yes vote by Directors Orlopp, Beach, McFarlin and Chase. Director Ketscher abstained from voting.

Bills in the amount of \$78,525.74 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Beach. Motion carried.

The Monthly Report and Water Availability Report were then reviewed. Cash in the Local Agency Investment Fund at the end of July was \$1,048,000 earning interest at the rate of 7.45 percent.

The water supply forecast for August by the U.S. Bureau of Reclamation was increased from 79 to 84 percent. This forecast gives the District 33,350 acre feet from the Friant supply including the 422 acre feet carryover. The District has purchased 2,705 acre feet from other sources for individuals that started the season without a supply. The 84 percent declaration now gives the District 1,244 acre feet "pooled supply".

Under Power Projects, Engineer-Manager Chandler first discussed the Kings River Siphon Hydroelectric Project. The District received the FERC license so development of the project could proceed. An offer to develop the project by John Eastwood & Associates was reviewed and the Board declined the offer because of the low revenue share offered to the District.

Under the Southern San Joaquin Valley Power Authority, a call for funds in the amount of \$1,120 was made. On a motion by Director Ketscher, seconded by Director Orlopp, approval of the participation fund was approved. Motion carried.

Engineer-Manager Chandler then reviewed the agreement with Fresno County for improvements along Cove Avenue and the breakdown of reimbursable cost to Improvement Districts 3A and 1AE for system relocation. After discussion, the agreement was approved on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

Next, water charges for 1988 to cover Interest Bearing O & M Deficit charges by the U.S. Bureau of Reclamation were discussed. Alternatives were presented to cover the deficit for 1986, 1986 plus projected deficit for 1987, 1986 and projected deficit through 1988. After discussion, the Board elected to stay with the present water charges until the contract with the Bureau is renewed.

Engineer-Manager Chandler then gave a status report on the District's gas leak problem. The Regional Water Quality Control Board has requested additional drilling and testing work to be performed to define the exact limits of the contaminants left in the soil. It was felt the added request was unwarranted since the original testing showed no spread of contaminants within a very close proximity of the gas leak. Engineer-Manager Chandler stated that he would collect additional data such as well locations and hydraulic gradient information in an effort to convince the Regional Board that the small amount of contaminants left in the soil does not pose a threat to the useable ground water supply.

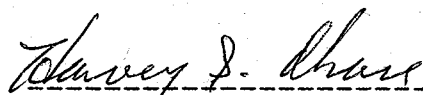
Additional water supply for the District was then discussed. First, a letter from Fresno County was reviewed concerning future supplies from the Mid Valley Canal. A brief discussion was also held regarding an idea by Dennis Keller to firm the District's supply in water short years.

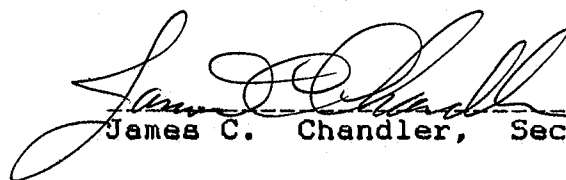
Engineer-Manager Chandler and Attorney Jensen then discussed the policy for allocating water in water short years. After considerable discussion on the various ways the policy could be implemented, the Board elected to keep the policy simple. Water would be allocated, subject to availability, on a first come first served basis after the February 25th cutoff date. This would include first right lands with purchases after February 25th and lands with second rights to water.

Next, a discussion was held regarding the use of OCID stands for spray water. Spills and trash around stands are becoming a nuisance to nearby residence. The Board decided it would be up to the District to eliminate spray water stands that present a nuisance to neighboring residence.

President Chase then opened the meeting for public comment. There was none.

With no further business to discuss, the Board Meeting was adjourned at 4:00 P.M..

  
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 Harvey S. Chase, President

  
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 James C. Chandler, Secretary

Minutes of the Regular Board Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, September 9, 1987.

The Meeting was called to order at 1:30 P.M. with the following Directors and Officers present:

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

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

Minutes of the Regular Meeting held on Wednesday, August 12, 1987 were approved as mailed on a motion by Director McFarlin, seconded by Director Beach. Motion carried.

Bills in the amount of \$132,032.04 were read, approved and order paid on a motion by Director Orlopp, seconded by Director McFarlin. Motion carried.

The Monthly Report and Water Supply were then discussed. Cash in the Local Agency Investment Fund at the end of August was \$978,000 earning interest at the rate of 7.49 percent.

The U.S. Bureau of Reclamation water supply forecast for September was increased from 84 to 89 percent. This forecast gives the District 35,310 acre feet from the Friant supply including the 422 acre feet carryover. The District has purchased 2,705 acre feet from other sources for individuals that started the season without an adequate water supply.

At 2:00 P.M., James Wegley, Keller and Wegley Engineering, appeared before the Board to review the plans for construction of the Cove Avenue Project. After discussion, the Board approved the plans and authorized the project to go out for bids on a motion by Director Ketscher, seconded by Director Beach. Motion carried.

The Regular Meeting 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 Ketscher, seconded by Director Beach. 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. After deletion of some items and returning the Standby rate to \$2.25 per acre as per the 1987 Standby rate, the Budget was approved on a motion by Director Beach, seconded by Director Orlopp. Motion carried. The Budget calls for revenues of \$1,234,400.00 in the General Fund, \$39,000.00 in Equipment Replacement and \$235,723.00 in the Special Project Fund.

On a motion by Director McFarlin, seconded by Director Beach a resolution fixing the amount and rate of the 1988 Assessment was offered. Motion carried. (See Resolution 9-87).

On a motion by Director Ketscher, seconded by Director McFarlin, a resolution setting the Standby charge for 1988 was offered. Motion carried. (See Resolution 10-87).

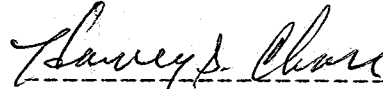
Attorney Jensen gave a status report on the condemnation of the Silva property for the regulating reservoir for the Cove Avenue Project. Attorney Jensen reported that he planned to have possession of the property by the end of September.

Engineer-Manager Chandler reported on the need and requested that the temporary engineering position be retained to inspect the Cove Avenue Project and the preparation of the PL-984 Loan. Also, it was requested that the position be upgraded in salary comparable to a starting engineers position and be given benefits. On a motion by Director Ketscher, seconded by Director Orlopp, the position was approved. Motion carried.

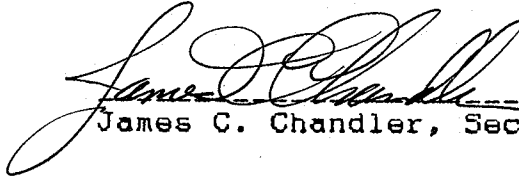
A letter from Loren Voth requesting support for Vice President of ACWA was then reviewed. On a motion by Director McFarlin, seconded by Director Beach, a resolution in support of Mr. Voth was approved. Motion carried. (See Resolution 11-87).

Under other items to be discussed pursuant to Government Code Section 54954.2 (items not appearing on the Posted Agenda), Engineer-Manager Chandler discussed the request from the City of Orange Cove to take treated sewer water from a new treatment plant proposed by the City. On a motion by Director McFarlin, seconded by Director Beach, Engineer-Manager was authorized and directed to work on this matter with the City. Motion carried.

With no further business to discuss, the Board Meeting was adjourned at 3:40 P.M.



Harvey S. Chase, President



James C. Chandler, Secretary

Minutes of the Regular Board Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 14, 1987.

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
	Richard D. McFarlin
	James O. Orlopp
Officers:	James C. Chandler
	Engineer-Manager-Secretary
	Douglas B. Jensen, Attorney

Minutes of the Regular Meeting held on Wednesday, September 9, 1987 were approved as mailed on a motion by Director Ketscher, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$82,293.64 were read, approved and order paid on a motion by Director Orlopp, seconded by Director McFarlin. Motion carried.

The Monthly Report and Water Supply were then discussed. Cash in the Local Agency Investment Fund at the end of September was \$853,000 earning interest at the rate of 7.56 percent.

The U.S. Bureau of Reclamation water supply forecast for October was increased from 89 to 91 percent. This forecast gives the District 36,094 acre feet from the Friant supply including the 422 acre feet carryover. The District has purchased 2,705 acre feet from other sources for individuals that started the season without an adequate water supply.

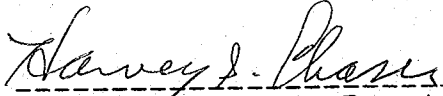
The Cove Avenue Project was then reviewed. Bids were received from nine contractors for the Cove Avenue Pipeline and seven contractors for the Pumping Plant. Based on the apparent low bids, the funds available for construction were about \$30,000 short for constructing the project as bid. A shortage on PVC material apparently affected the bid prices. The Board suggested that this matter be discussed with Fresno County since their replacement cost would be proportionately higher also and they should pay accordingly. Engineer-Manager Chandler stated that some bid items could be reduced or deleted since sufficient funds would not be available to construct the reservoir at this time. A new assessment hearing would be called to complete the remaining components of the project. A motion authorizing contract award, contingent upon resolving the project fund deficit, was made by Director Ketscher, seconded by Director Beach. Motion carried.

The Kings River Siphon Hydroelectric Project was then reviewed. Since this project was tabled in June, no other offers from developers had been received that would provide a reasonable revenue to the District. Financial statements for the Kings River Syphon Hydropower Partnership were reviewed along with other development activities performed by the partnership. After discussion, it was agreed that a special Board meeting should be scheduled with Attorney David Minasian present to discuss all the issues of this project and potential development with the Kings River Syphon Hydropower Partnership.

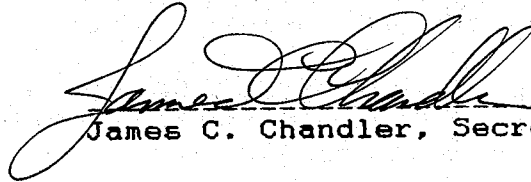
Engineer-Manager Chandler then discussed the need for a good quality self leveling instrument to conduct surveys for the Cove Avenue Project. On a motion by Director McFarlin, seconded by Director Orlopp, the purchase was approved. Motion carried.

Proposed changes in the Employee Handbook were then reviewed. The proposed changes would add new policies or clarify existing policies on items such as location of residence, use of District equipment, withdrawal from deferred compensation, use of sick leave with workers compensation, a disciplinary action procedure and a harassment policy. After review and discussion of the items, the Board directed Engineer-Manager Chandler to have the items reviewed by Attorney Douglas B. Jensen.

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



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Harvey S. Chase, President



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James C. Chandler, Secretary



Minutes of the Special Board Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, October 23, 1987.

The Meeting was called to order at 9:30 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  
James O. Orlopp

Officers: James C. Chandler  
Engineer-Manager-Secretary  
David H. Minasian, Attorney

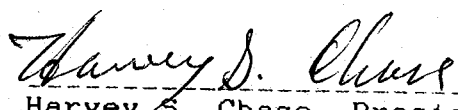
Discussion was opened on the status of the Kings River Siphon Hydroelectric Project regarding the necessary permits and agreements. The Federal Energy Regulatory Commission (FERC) permit and the California Water Rights permit had been received. No additional work had been done on the agreement between Orange Cove Irrigation District and the U.S. Bureau of Reclamation since the project was tabled in June, 1987.

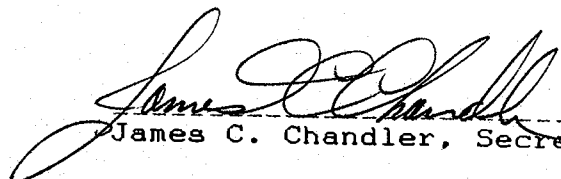
The draft agreement and the financial statements of the Kings River Syphon Hydropower Partnership was then reviewed. The Board requested that the financial statements be verified by a Certified Public Accountant. Attorney Minasian then discussed his concerns in the draft agreement between Orange Cove Irrigation District and Kings River Syphon Hydropower Partnership. Particular concerns were the assignment of permits, municipal preference and condition that may be in the Bureau's agreement which is not finalized. Attorney Minasian urged that all agreements and permits be finalized and referenced in the Orange Cove Irrigation and Kings River Syphon Hydropower agreement prior to execution. After considerable discussion, the Board authorized and directed Attorney David Minasian and Engineer-Manager Chandler to work on the details of the agreement between Orange Cove Irrigation and Kings River Syphon Hydropower and to continue the agreement with the U.S. Bureau of Reclamation.

A letter from Attorney John Smith from the office of Baker, Manock and Jensen was reviewed regarding the condemnation of the Silva property. The letter inquired as to the interest of the Board to pursue the condemnation of the property since there were inadequate construction funds under the present assessment to construct the reservoir. After discussion, the Board elected to pursue the condemnation based on the need for the reservoir and probability of increasing the assessment to construct the reservoir.

Engineer-Manager Chandler then discussed the revised agreement with Fresno County that would be forthcoming for the construction of the Cove Avenue Project. The revised agreement increased the County's contribution by about \$17,000. Approval of the agreement was authorized on a motion by Director Orlopp, seconded by Director Beach. Motion carried.

With no further business to discuss, the Special Board Meeting was adjourned at 1:00 P.M.

  
Harvey S. Chase, President

  
James C. Chandler, Secretary

CONSENT TO SPECIAL 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 on October 23, 1987 at 9:30 A.M. for the purpose of Kings River Siphon Hydroelectric Project.

Dated this 23rd day of October, 1987.

DIRECTORS

Lawrence D. Pham  
Stanley C. Beach  
Robert McFadden  
James C. Lepp  
Gene Ketcher

CONSENT TO SPECIAL 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 on October 23, 1987 at 9:30 A.M. for the purpose of Kings River Siphon Hydroelectric Project.

Dated this 23rd day of October, 1987.

DIRECTORS

Lawrence D. Pham  
Stanley C. Beach  
Robert McFadden  
James C. Lepp  
Gene Ketcher

Minutes of the Regular Board Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, November 13, 1987.

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
	Richard D. McFarlin
	James O. Orlopp
Officers:	James C. Chandler
	Engineer-Manager-Secretary
	Douglas B. Jensen, Attorney

Minutes of the Regular Meeting held on Wednesday, October 14, 1987 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

Bills in the amount of \$120,757.82 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director McFarlin. Motion carried.

The water used through October was 30,611 acre feet. 8,188 acre feet remain for this year supply which includes the outside purchases and late season allocation increases by the U.S. Bureau of Reclamation.

Under Public Input, Robert LoBue of LoBue Farms appeared before the Board to discuss the District's policy on return of excess water from individual users. Mr. LoBue suggested that the deadline near mid August which is used by other Districts be adopted by Orange Cove. After considerable discussion on the matter, the Board informed Mr. LoBue that they preferred and would retain present policy.

Under the Cove Avenue Project, Engineer-Manager Chandler inform the Board that County Agreement had been increase from \$153,330 to \$170,150. The Agreement would go before the County Board of Supervisors October 17th and was expected to be approved. Also, the "Notice of Award" had been issued to the Kaweah Construction Company and Beaver Construction for the contracts for the Cove Avenue Project.

A letter from Mr. Dan Lange was reviewed with the Board. Mr. Lange requested that land he and Mr. Paul Lupo owned south of the Annadale Avenue alignment be annexed into the Orange Cove Irrigation District since capacity was being purchased in the Cove Avenue pipeline. Also, a list of other landowners requesting annexation into the District was reviewed. After discussion, the Board elected to give priority to the requested annexations in the order of request.

Under PL-984 Loan, Engineer-Manager Chandler discussed the Field Review made by the Bureau of Reclamation, October 29, 1987. After review of the project needs, the Bureau staff indicated that this project would qualify for the loan and should receive a high priority within the Bureau since it is a system rehabilitation rather than a new system. The only limiting factor would be if the application was not submitted and approved prior to allocation to the existing applications. The existing application for this program amount to about \$60 million and are mostly for a new system. The recent COA legislation which restored \$600 million into this program also limited the maximum to any one State of \$120 million for the first five years.

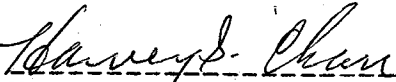
The big question concerning this or other rehabilitation programs is whether the landowners would support a new assessment to repay the loan. It was agreed that advisory committees should be established to test the support for the project prior to submitting an application.

Under Power Projects, a brief report was given on the Kings River Siphon Project. The Fish Release Project for the Friant Power Authority was then discussed. The concerns being whether or not the project should be abandoned and the license returned to FERC. Engineer-Manager Chandler expressed the opinion that other development alternatives should be explored before abandoning the project. After Discussion, the Board supported this position. Also, under this subject, a call for funds for the Southern San Joaquin Valley Power Authority in the amount of \$560.00 was presented. On a motion by Director Orlopp, seconded by Director McFarlin, the payment was approved. Motion carried.

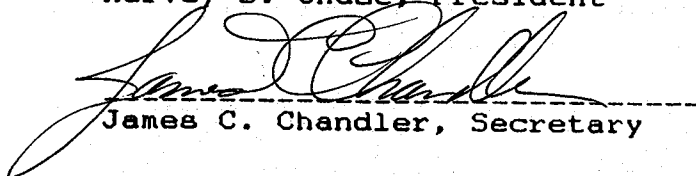
Under Equipment Needs, the need to purchase a boom truck was discussed. A used boom truck was located at American Truck Parts Company and was loaned to the District for trial use. The truck located in the District yard was then viewed by the Board. It was agreed the truck would serve the District needs and on a motion by Director Ketscher, seconded by Director Beach, the purchase was approved. Motion carried.

Under Other Items, Engineer-Manager Chandler discussed the desire to convert the existing phone system to a new Merlin Plus system. This would be done under a lease purchase contract which the District would pay slightly less than is presently being paid for rental of the existing system. The system would then be purchased for one dollar at the end of four years. On a motion by Director McFarlin, seconded by Director Beach, the conversion to the new system was approved. Motion carried.

With no further business to discuss, the Board Meeting was adjourned at 4:25 P.M.



Harvey S. Chase, President



James C. Chandler, Secretary

Minutes of the Regular Board Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, December 9, 1987.

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 Richard D. McFarlin James O. Orlopp
Officers:	James C. Chandler Engineer-Manager-Secretary Douglas B. Jensen, Attorney

Minutes of the Regular Meeting held on Friday, November 13, 1987 were approved as mailed on a motion by Director McFarlin, seconded by Director Orlopp. Motion carried.

Bills in the amount of \$100,222.02 were read, approved and ordered paid on a motion by Director Beach, seconded by Director McFarlin. Motion carried.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund was \$808,000 earning interest at 7.95 percent. It was also noted that the unobligated reserves for the District \$361,047.72 for the General Fund and \$203,722.83 for the Special Project Fund.

The water used for the season totaled 30,619 acre feet. This left 8,180 acre feet to carry over or transfer in February depending on the water forecast for the coming season.

Under Annexation and Detachment, Mr. Dan Lange appeared before the Board to discuss inclusion of his property that would receive service from the Cove Avenue Pipeline into the District, and other issues in his letter to the Board, dated October 29, 1987. Under Inclusions, the Board Directed Engineer-Manager Chandler to finalize the inclusion list, since there was some discrepancies in the list, then follow a priority based on the date of the request for inclusion according to the following guidelines.

1. The owner(s) of the land requesting inclusion must be willing to pay a one time payment equal to the total assessment collected to date on a per acre basis and buy a proportionate share of the existing system, per acre basis, provided the system is capable of serving the land.
2. If the system is capable of serving the land, but the landowner elects not to buy in at this time, the name is dropped from the inclusion list.
3. If there is no system capable of serving the included acreage, the landowner will be left on the list but skipped for the immediate inclusion.

Under other issues, Mr. Lange discussed financing Tri-Valley Water District's portion of the Cove Avenue Project with OCID, being assured a water supply for his investment into the project, installation of a tee for a future turnout near the reservoir and removal of the South fence on the property acquired from Silva. The Board informed Mr. Lange that they could give no assurance for water to the property in Tri-Valley Water District. Also, should this property be annexed into OCID, the property would only have second right to water. Regarding the fence, the Board directed Attorney Jensen to inform Mr. Silva by letter that if he would remove the fence he could salvage the material. Otherwise, the District would remove the fence.

The Board agreed to including the Tri-Valley Water District's share of finance with OCID provided OCID has an agreement with Tri-Valley Water District to pay their proportionate share of the project. The Board also agreed to permit a turnout near the reservoir if and when constructed to serve this property.

Under Cove Avenue Contracts, Engineer-Manager Chandler gave a status report on the construction activities. Also, a progress payment to Kaweah Construction Company for the amount of \$6,565.68 was presented to the Board. On a motion by Director Orlopp, seconded by Director Beach, the progress payment was approved. Motion carried.

Under Federal Contracts, a letter from Congressman Lehman to Commissioner Duvall was reviewed. The letter questioned the Bureau's interpretation of PL 99-546 which authorized interest to be charged on O & M deficits accruing after October 1, 1985 on new or amended contracts. The Bureau is presently charging interest on O & M deficits accruing after October 1, 1985 for contracts in existence at the time of PL 99-546 legislation.

Under System Rehabilitation, Engineer-Manager Chandler discussed the cost difference to install new systems under the Bureau's PL-984 loan program compared to installation by District staff. The present cost is estimated to be \$12 million to upgrade the systems under the PL-984 program. Escalating construction cost at four percent per year and assuming three years to obtain the loan and seven years for construction, the final cost would be \$14.7 million. Comparatively, the same system installed by District staff is presently estimated to cost \$7.2 million escalated to \$8.65 by end of construction in ten years. These concepts along with methods of financing will be discussed with advisory committees in the near future.

Then, the Call for Funds for the Friant Water Users Authority's General Member Activities was discussed. A General Member Budget was presented to the Board for their review. On a motion by Director Ketscher, seconded by Director McFarlin, the Call for Funds was approved. Motion carried.

Under the Kings River Siphon, a brief status report was given. The Board was informed that it may be necessary to call a Special Board meeting if the development agreement was finalized prior to the next Regular Board meeting.

Under Personnel, a review of the Engineer-Manager's salary was made. Based on a salary survey of comparable districts in the Friant-Kern service area, a salary of \$4,400 per month was recommended. On a motion by Director Beach, seconded by Director Ketscher, a monthly salary of \$4,400 was approved. Motion carried.

With no further business to discuss, the Board Meeting was adjourned at 4:20 P.M.

*Harvey S. Chase*

Harvey S. Chase, President

*James C. Chandler*

James C. Chandler, Secretary