

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 10, 1990.

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

Howard Barker, Administrative Assistant and Notary Public administered the Oath of Office to Directors Chase and Orlopp whom were reappointed as District Directors by the Tulare County Board of Supervisors. President Chase then called for the election of Officers. Director Orlopp offered a motion to elect Director Chase as president. The motion was seconded by Director Beach and unanimously approved by the Board. Director Beach then offered a motion to elect Director Ketscher as Vice President. The motion was seconded by Director McFarlin and unanimously approved by the Board. Director Orlopp then offered a motion to elect Engineer-Manager Chandler as Secretary-Assessor-Collector. The motion was seconded by Director McFarlin and unanimously approved by the Board. Director Beach then offered a motion to elect Ernest Mason as Treasurer. The motion was seconded by Director McFarlin and unanimously approved by the Board. The elections were then closed and the Regular Board Meeting convened.

Minutes of the Regular Meeting held on December 13, 1989 were approved as mailed on a motion by Director McFarlin, seconded by Director Beach.

Bills in the amount of \$84,917.31 were read, approved and ordered paid on a motion by Director McFarlin, seconded by Director Ketscher.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$532,000.00 earning interest at 8.70 percent. A review of the District's water use showed 37,338 acre feet used for the irrigation season. 1,055 acre feet were transferred to Lindmore Irrigation District with the right to recall reserved by OCID and 185 acre feet available for carry over.

Various other items were then discussed as part of the Monthly Report. Status reports were given regarding the District's reorganization effort with Fresno County, water supply contract renewal issues and the latest attempts to modify Reclamation Law. A report was also given regarding the District's efforts to implement a system rehabilitation program, including a draft questionnaire and a meeting with Dave Houston regarding potential financing of the program.

The Kings River Siphon Hydroelectric project was then discussed including the Developer's intent to refinance their take-out loan. This was brought about by the need for the Developer to assure an additional \$200,000 to United Savings to guarantee completion of the project. In turn, United Savings wanted to rewrite their loan conditions which, in essence, mean that the Developer would have to find a new long term lender. The Developer was in the process of negotiating a loan through Pitney Bowes but they wanted to own the plant with a lease back to the Developer. This would also be a packaged loan that would include the Fishwater Release Hydroelectric Project. Since the participating member of the Fishwater project had expressed an interest in buying that project, the package concept would not work for the Developer. After discussion, the Board directed Engineer-Manager Chandler to investigate alternatives to this proposal including the potential for the District to providing the additional guaranty which would cause United Savings to have to honor their original long term loan to the Developer.

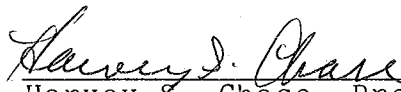
The Fishwater Release Hydroelectric Project was then discussed. Since Engineer-Manager Chandler was serving as coordinator for this project, a request was made of each participating district as to whether they wanted to buy out the project or continue under a partnership arrangement with the Developer. Five alternatives were prepared that ranged from continuing the partnership with the Developer to full buy out with various contributions by Fish and Game. After review and discussion of the alternatives, the Board supported Option 4 which was a buy out with a Fish and Game contribution of one-half of the pipeline cost.

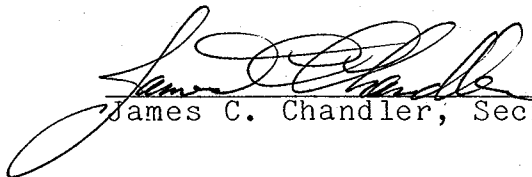
The San Joaquin Valley Power Authority was then discussed. At the last Authority Board Meeting, a request was made for each participating member to confirm each district's position in continuing with the Authority including contributing up front money before bond finance is incurred. The Orange Cove Irrigation District's projected cost would be \$3,627.26. After discussion, the Board confirmed its position to continue as a participating member.

The letter agreement for the 1989 audit was then reviewed. After discussion, Director Ketscher offered a motion to accept the agreement with Baker, Peterson and Franklin for the 1989 audit. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The proposed Rules and Regulations for the 1990 irrigation season were then reviewed. Director McFarlin suggested that the specified due date for water purchase remain the 25th of February rather than making adjustments in the Rules and Regulations when the 25th fell on a weekend. The Board agreed to the change and directed Engineer-Manager Chandler to maintain all other Rules and Regulations and to mail to all water users with the request to order water.

With no further business to discuss, the Board Meeting was adjourned at 4:10 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, February 14, 1990.

The Meeting was called to order at 9:40 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
Others:	William H. Spruance, Legal Counsel

Minutes of the Regular Meeting held on January 10, 1990 were approved as mailed on a motion by Director Ketscher, seconded by Director McFarlin.

Discussion was then taken up on the Kings River Siphon Hydroelectric Project. Engineer-Manager Chandler reviewed the discussion from the January Board Meeting and the request of the Board to investigate alternatives including the potential for the District to guaranty the additional funds needed to complete the project in lieu of the Developer selling the plant. If the District was interested in guarantying the additional money, it appears that the District's best position may be to obtain a right to purchase the project. If purchase of the project is to be considered, it was important for the Board to understand the projected performance and those conditions which put the plant at risk in making debt payments. Engineer-Manager Chandler then reviewed the technical issues including the Tudor feasibility studies, the Developer's performance studies and the studies done by the District staff. Although the District staff had not completed all of the reviews that would be desired in consideration of plant purchase, performance had been fairly well substantiated. Also, the plant was capable of doing considerably better than projected if slight adjustments could be made in the upstreams and downstream water levels in the Canal.

Counsel Spruance then reviewed the legal issues as to how the guaranty could be structured and some of the options the Board might consider as a condition of the guaranty. For example, if the Board was interested in owning the plant, they should condition their agreement to participate on an exclusive right to negotiate to purchase. Also, under any condition of plant transfer, the Board could condition the transfer on a payment in full of any money owed to the District.

Messrs. John Huetter and Les Haug, Kings River Syphon Hydropower Partnership, Mr. Dave Houston, Drexel Burnham Lambert and Doug Brown, Bond Counsel with Brown and Wood entered the Board room and discussions continued. Messrs. Huetter and Haug presented some informational data sheets on the project and discussed the reasons for the additional financial needs to complete the project. After considerable discussion on the projected financial needs and whether the projected cost would actually complete the project, Mr. Dave Houston was asked to provide information regarding potential District financing if the Developers were interested in selling the project to the District. Mr. Houston's proposal was a revenue bond at about 9.5 percent interest. The repayment was amortized over 20 years with the intent that the bonds would be paid off as soon as sufficient revenues were available from the project. The bond would have to be retired before the District could use any money from the project.

Since it was evident that the Board needed to discuss this matter further before making a decision, Engineer-Manager Chandler requested that Mr. Houston had an opportunity to discuss a proposal to finance a District rehabilitation program before recessing for lunch. Mr. Houston then presented his proposal to finance the program over a twenty year period at 7.5 percent interest. Alternatives were shown for repayments to be made on a per acre basis District wide and by improvement districts. Further discussion on this matter was delayed until the District has an opportunity to mail a questionnaire to determine landowner interest in the rehabilitation program.

The meeting was recessed for lunch at 12:15 P.M.

The Board Meeting reconvened at 1:40 P.M. and the discussions continued on the Kings River Siphon Hydroelectric project.

It was finally decided and mutually agreed by the Board that the District should not invest or guaranty funds for the project since there exist considerable financial needs within the District. The Board did, however, express an interest to further evaluate the potential purchase of the plant if that option became available to the District.

Bills in the amount of \$120,149.67 were then read, approved and ordered paid on a motion by Director Beach, seconded by Director McFarlin.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$792,000.00 earning interest at 8.57 percent. The Bureau of Reclamation made the first water supply declaration for the 1990 water year. The declaration was for an 85 percent supply of Class I water which would give Orange Cove 33,320 acre feet. The Bureau also agreed to carry over any remaining balances from 1989 upon request by the districts. Orange Cove will request to carry over its remaining 185 acre feet.

The Fishwater Release Hydroelectric Project was then discussed. Each participating district agreed to purchase this project under option 4 during their January Board Meeting. This option included California Department of Fish and Game participation in cost of the tailrace pipe. Subsequent discussions with California Department of Fish and Game, indicated that Fish and Game may be unable to fund their share of the tailrace cost. Therefore, it is necessary that each participating district consider purchasing the project without financial participation from Fish and Game. The projected cost and potential revenues for option 5 was then reviewed. It was also noted that the Developer had now asked the Fishwater group to consider a higher purchase price since the final design provides for a 3.3 gigawatt hour plant rather than the original 2.7 gigawatt hour plant scoped for the project. Also, a call for funds of \$500 from Friant Power Authority to decide which participants wanted to continue with the project buy out under option 5. After discussion, Director Ketscher offered a motion to pay the call for funds to proceed under option 5. The motion was seconded by Director Beach and unanimously approved by the Board.

Under Contract renewal issues, the Orange Cove Irrigation District validation action was discussed and then the intervention into Exeter vs Hancock et al lawsuit. Director Ketscher offered a motion for Orange Cove Irrigation District to intervene. The motion was seconded by Director McFarlin and unanimously approved by the Board.

A status report was then given regarding the District reorganization. Also discussed was a scheduled meeting with the LAFCO Executive Director and the City of Orange Cove. LAFCO was concerned about lands within the City that retained their contract under the Williamson Act which is now being detached from the District. The Board indicated their interest in proceeding with the plan detachment since the land was annex to the City for development purposes.

The need for a blanket resolution for Secretary/Manager to accept easements on behalf of the District was then discussed. After discussion, Director Beach offered said resolution. The resolution was seconded by Director McFarlin and unanimously approved by the Board. (Resolution 1-90).

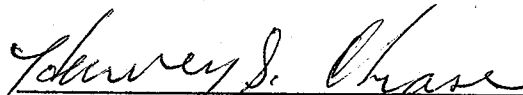
The California Farm Water Coalition's request for voluntary assessment was then discussed. The Board was reminded that last year they agreed to participate for one year to see if the program was successful. Engineer-Manager Chandler recommended that the District participate another year since the task of the Coalition is difficult but very important to irrigated agriculture. Director McFarlin offered a motion to the pay the assessment. The motion was seconded by Director Orlopp and unanimously approved by the Board.

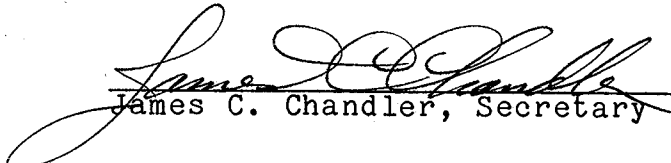
A call for dues for the CVPWA was then discussed. After discussion, Director Beach offered a motion to table the request until the March Board Meeting. The motion was seconded by Director Ketscher and unanimously approved by the Board.

A request to support the Water Education Foundation was then discussed. President Chase offered a motion to deny the request. The motion was seconded by Director Beach and unanimously approved by the Board.

A request from Rufino Agcayab to detach from the District was then reviewed. President Chase offered a motion to deny the request. The motion was seconded by Director Ketscher and unanimously approved by the Board.

With no further business to discuss, the Board Meeting was adjourned at 3:30 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 14, 1990.

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

Officers: James C. Chandler  
 Engineer-Manager-Secretary

Minutes of the Regular Meeting held on February 14, 1990 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin.

Bills in the amount of \$196,272.47 were read, approved and ordered paid on a motion by Director Beach, seconded by Director Orlopp.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$1,732,000.00 earning interest at 8.66 percent. The second water supply meeting was held March 9th. The Bureau of Reclamation calculated 92 percent Class I water supply available for the 1990 Water Year, with normal precipitation, but held the declaration to 85 percent. Other items discussed under the Monthly Report included an article in the Fresno Bee relative to long term water contracts, the CVPWA news letter, a planned study for a pumped water storage project on Fine Gold Creek by Madera Irrigation District and a proposal by Engineering Science to evaluate the Rights, Benefits and Privileges authorized by Congress for the Central Valley Project.

Engineer-Manager Chandler then reported on the Contract validation action by Fresno Superior Court, February 22, 1990. The validation was approved by Superior Court with no one appearing to oppose the action. Proof of the validation has been furnished to the Bureau of Reclamation. A status report was then reviewed from Counsel Meith giving the status of the NRDC v. Houston and Exeter v. Hancock lawsuits.

The Hydroelectric Projects were then discussed. A construction report was given on the Kings River Siphon project and then the proposed amendment to the loan documents for the Developer was discussed. After discussion, Director Ketscher offered a motion to approve the amendment subject Counsel's final approval. The motion was seconded by Director Beach and unanimously approved by the Board.

The Fishwater Release project was then discussed. An Advisory Committee meeting was held March 2nd at which time the Developer requested that FPA reconsider the price it would pay to purchase the project upon completion since the project was now being built for a 3.3 gigawatt hour per year plant rather than the 2.7 gigawatt hour plant originally planned. The Developer stated that the plant was worth \$1.88 million instead of the \$1.45 million negotiated in the agreement. FPA's position was that we would consider the cost difference to construct the larger plant but would not re-open the License and Operating Agreement to negotiations.

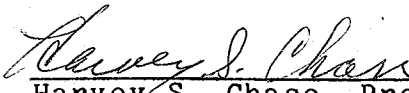
Construction of the Third Intertie under the Southern San Joaquin Valley Power Authority was then discussed. It came to the attention of the Authority that each participant would either have to pay for its share of the construction cost or guarantee any financing for such purposes until the repayment bonds are issued. A scenario of "pay as you go" was presented to the Board which was considered the worst case situation. After discussion, Director Beach offered a motion to continue participation in the project and either "pay as you go" or guarantee financing whichever appeared more attractive to the District at the time of funding. The motion was seconded by Director McFarlin and unanimously approved by the Board.

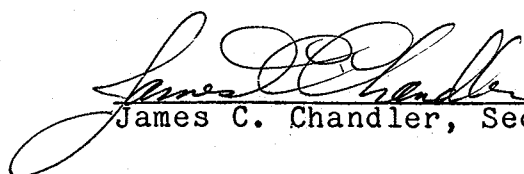
A letter requesting the Board to remove the "Subject to Availability" condition for a late water payment was then reviewed. After review and discussion of the circumstances, the matter was tabled until the April Board meeting.

A proposal to employ Sean Geivet was then discussed. After discussion, Director Ketscher offered a motion to employ Mr. Geivet at a starting salary of \$2,000 per month. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The 1990 CVPWA dues was then discussed. This matter was tabled at the February Board meeting. After discussion, the Board elected to table the matter until the April Board meeting.

With no further business to discuss, the Board Meeting was adjourned at 3:40 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 Orange Cove Irrigation District held on Wednesday, April 4, 1990.

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
Officers:	James C. Chandler Engineer-Manager-Secretary
Others:	William H. Spruance, Counsel Mr. Angus Mollison United Savings Bank John Huetter Les Haug

Engineer-Manager Chandler reported recent developments affecting the financing of the Kings River Syphon Hydroelectric Project. He stated that the Project was over-budget, and that the Developer was technically in default under its Construction Loan. Due to pressure from Federal Regulators, the Bank was seeking assurance that it would be repaid.

Engineer-Manager Chandler presented several exhibits. The first set involved a proposal from McDonnell Douglas Finance Corporation, which appeared to be incomplete and financially questionable. The second set involved projections for a possible purchase of the Project by the District. The Board discussed the matter at some length.

Angus Mollison of United Savings Bank presented the Bank's position. He stated that the Project was a good one. However, new federal regulation discourage nonresidential loans by savings banks. Because this Project was over-budget, federal auditors required a declaration of default unless some additional funding was arranged. He stated that the District was the logical entity to own and operate the Project. He asked if the District would make a Purchase Offer. If so, interim financing could be arranged by the Bank for the District. There was a discussion of various ways to overcome the default and to satisfy the Bank's auditors.

Developers John Huetter and Les Haug said they intended to finish construction if further financing could be arranged. They acknowledged that the letter from McDonnell Douglas did not meet the Bank's requirements for a firm Purchase Offer.

The Board indicated that the District was interested in acquiring the Project. However, the Directors wanted to be sure that the Project was satisfactorily completed, and the proper steps were taken for financing such a purchase through revenue-backed securities. Therefore, the most the Board could do at this time was to adopt a Resolution of Intent. After some further discussion as to the possible terms and procedures, it was moved by Director Ketscher, seconded by Director McFarlin, and unanimously carried that the following be adopted:

RESOLUTION 2-90  
ORANGE COVE IRRIGATION DISTRICT

RESOLUTION OF INTENT  
TO ACQUIRE HYDROELECTRIC PROJECT

WHEREAS, ORANGE COVE IRRIGATION DISTRICT ("OCID") is authorized to own and operate a hydroelectric project at OCID's Kings River Syphon Drop on the Friant-Kern Canal ("the Project") pursuant to agreements with, and permits and licenses issued by, the Federal Energy Regulatory Commission, United States Bureau of Reclamation, California State Water Resources Control Board, and Pacific Gas and Electric Company; and

WHEREAS, OCID has hereto entered into a License and Operating Agreement dated January 22, 1988, and a First Amendment to License and Operating Agreement dated September 9, 1988, with Kings River Syphon Hydropower, a California limited partnership ("Developer"), which Agreement and Amendment provide for the construction of the Project by the Developer, and the leasing and acquisition of the Project by OCID;

WHEREAS, Developer has secured financing for the construction of the Project from United Savings Bank, a Utah corporation, pursuant to certain loan documents dated September 9, 1988, and has undertaken construction of the Project which is expected to be completed in June 1990; and

WHEREAS, the Developer has indicated its willingness to sell its interest in the Project to OCID upon completion of construction, and concurrently to pay off the construction financing obligation to United Savings Bank;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of ORANGE COVE IRRIGATION DISTRICT as follows:

1. That OCID intends to purchase from Kings River Syphon Hydropower all of said Developer's interest in the Kings River Syphon Hydroelectric Project on the terms and conditions hereinafter set forth;

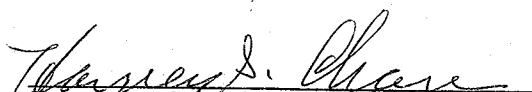
2. The purchase price shall be Two Million Four Hundred Thousand Dollars (\$2,400,000) for the completed Project, fully operational, and free and clear of any liens, encumbrances, collateral assignments or liabilities, including any liabilities owed to OCID;

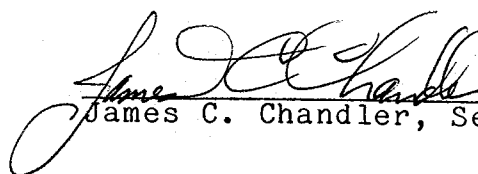
3. The purchase price and any associated costs or expenses of OCID shall be financed by revenue-backed securities issued pursuant to applicable law and subject to proceedings before the State of California District Securities Division and any other agencies having jurisdiction over the transaction -- which proceedings the District will endeavor to expedite;

4. This resolution of intent to purchase the Project shall be subject to the prompt concurrence of Kings River Syphon Hydropower and United Savings Bank, and the execution of mutually acceptable written agreements among the three parties.

Angus Mollison, John Huetter and Les Haug stated that they would confer further to see if an agreement could be reached along the lines of the Resolution of Intent.

There being no further business to discuss, the Special Board Meeting was adjourned at 4:00 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 April 4, 1990 at 1:30 P.M. for the purpose of:

1. To review financial proposal by Developer and evaluate potential for District to purchase Kings River Siphon Hydroelectric Project.

Directors Bill McZdi  
Stanley Beach  
W. Ketcher  
Harvey D. Chase  
James Colby

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Directors Bill McZdi  
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James Colby





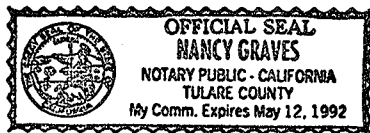
and that everything else was okay. Had there been any indication from the OCID office at that point that the water order and payment had not arrived, we could have made arrangements to get a new check to them prior to the February 25th deadline.

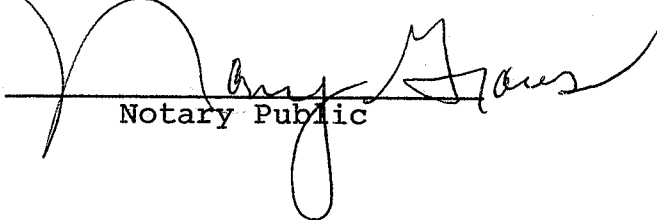
Executed on April 10, 1990, at Visalia, California.

I declare under penalty of perjury, that the foregoing is true and correct.

  
ROBERT H. DENNEY

On April 10, 1990, before me the undersigned, a Notary Public for the State of California, personally appeared ROBERT H. DENNEY, personally known to me to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.



  
Notary Public



mailbox on Court Street of the U.S. Post Office located on Acequia Street in Visalia, CA, and I did so on this occasion. Sometimes I make the cut-off time for that day, sometimes I don't.

6. On February 22, 1990, a bookkeeper from OCID called with questions about application of the check amounts. Apparently the interest on the bill paid on 12/27/89 was waived as it was not shown as an outstanding account. The bookkeeper informed me that the \$86.57 was being applied to another account leaving a balance due of \$44.34. On that same day I made out a new check, #399 for \$44.34 to cover the balance on the one account.

7. During my conversation with the bookkeeper, I asked her if all the other checks had been received and applied without difficulty and she replied yes, there were no other problems. At no time during the conversation did the bookkeeper mention that the check for the 1990 water allotment was not received or that the account was unpaid.

8. Had the bookkeeper on February 22nd informed me that check #395 had not arrived, I would have put a stop on #395 and issued a new check and mailed it that same day as I did with check #399.

9. At all times there were sufficient funds in the account to cover all outstanding checks, and no checks were held unsigned or unmailed due to lack of sufficient funds in the account.

10. It was not until March 7, 1990, that I received any notice from OCID that the #395 check for water allotment did not arrive until March 5, 1990, with a post mark of March 3rd.



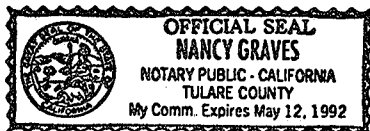
I have no explanation for the late postmark other than mishandling by the post office.

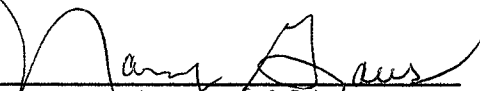
Executed on April 10, 1990, at Visalia, California.

I declare under penalty of perjury, that the foregoing is true and correct.

  
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JOAN VENABLE

On April 10, 1990, before me the undersigned, a Notary Public for the State of California, personally appeared JOAN VENABLE, personally known to me to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.



  
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Notary Public

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 11, 1990.

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

Officers: James C. Chandler  
Engineer-Manager-Secretary

Minutes of the Regular Meeting held on March 14, 1990 were approved as mailed on motion by Director Ketscher seconded by Director Beach.

Bills in the amount of \$235,272.01 were read, approved and ordered paid on motion by Director Orlopp, seconded by Director Ketscher.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$1,797,000.00 earning interest at 8.54 percent. The next water supply meeting is scheduled for April 13th. Early reports indicated that the water supply declarations will drop below 80 percent. A notice from Fresno County offering to sell 2,500 acre feet of water was then reviewed. After discussion, Director Orlopp offered a motion to purchase the full 2,500 acre feet. The motion was seconded by Director Ketscher and unanimously approved by the Board.

Mr. Robert Denney appeared before the Board to request that the "Subject to Availability" status be removed from his request for water due to the District's receipt of payment late. Mr. Denney stated and furnished sworn statements to the fact that the water payments were mailed on time with other payments to the District. The other payments were postmarked and received on time. After discussion, Director Ketscher offered a motion to remove the "Subject to Availability" status. The motion was seconded by Director Beach and unanimously approved by the Board.

Engineer-Manager Chandler then gave a status report on the Contract Renewal negotiations held on Tuesday, April 10th in Fresno. The negotiations went from 9:00 A.M. to 8:30 P.M. without reaching an agreement on the language to be contained in

Article 14. It was clear from this session that the Bureau wants discretion to release water in the San Joaquin River for enhancement purposes.

Status reports were then given on the Kings River Siphon and Fishwater Release Hydroelectric Projects. Nothing new had developed on the financial problems on the Kings River Siphon Project since the April 4th Special Board Meeting. No formal reply had been received regarding the District's offer to purchase the project. However, indications from United Savings Bank were that the offer would not satisfy the lender since it was conditioned on getting finance approved. The Letter Agreement with USBR was then discussed. The Bureau request that the Agreement be modified for expenses up to \$75,000 and that \$30,000 be advanced by the District. Director Beach offered a motion to modify the Agreement and advance the money. The motion was seconded by Director McFarlin and unanimously approved by the Board. No reportable progress had been made on the Fishwater Release Project, but the developer was continuing his efforts to put construction financing in place.

A letter from Baker, Peterson & Franklin, was then discussed. The letter recommended that additional methods of checks and balances be implemented by the District.

A proposal to issue invitations for bids for a new computer system was then discussed. After discussion, Director Ketscher offered a motion to invite bids. The motion was seconded by Director Orlopp and unanimously approved by the Board.

A discussion was then held on replacing one pickup for Operations. After discussion, Director Beach offered a motion to purchase from State bids. The motion was seconded by Director Ketscher and unanimously approved by the Board.

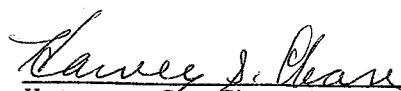
A letter from a landowner requesting that they not be party to the improvements of the 11BD System was then reviewed. After discussion, the Board directed Engineer-Manager Chandler to respond to the letter informing the landowner that all lands within an improvement district must pay equally for improvements made to the systems.

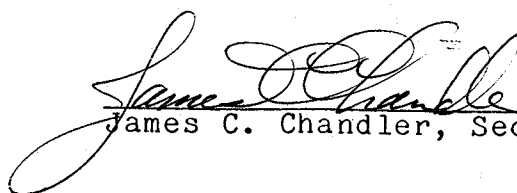
A letter was then reviewed from a landowner requesting that their land be placed on the waiting list for inclusion to the District. The Board directed Engineer-Manager Chandler to add the request to the inclusion list. The Board further stated the it was not District policy to bring a request to the Board just to be placed on a waiting list.

A call for funds for the Friant Water Users Authority was then reviewed. Director McFarlin offered a motion to pay the call in the amount of \$3,927.98. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The call for 1990 CVPWA Dues was then discussed. This was tabled at the March meeting. No action was taken at this meeting to pay the dues.

With no further business to discuss, the Board meeting was adjourned at 4:00 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 April 26, 1990 at 1:30 P.M. for the purpose of:

Discussion in consideration of the District consenting to the conveyance of the Developer's interest in the Kings River Siphon Hydroelectric Project to the Lender.

Dated this 26th day of April, 1990.

Directors

Harvey S. Chase  
Stanley C. Beach  
Bill McFadden  
Ken Katscher  
James Olcott (ABSENT)

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 April 26, 1990 at 1:30 P.M. for the purpose of:

Discussion in consideration of the District consenting to the conveyance of the Developer's interest in the Kings River Siphon Hydroelectric Project to the Lender.

Dated this 26th day of April, 1990.

Directors

Harvey S. Chase  
Stanley C. Beach  
Bill McFadden  
Ken Katscher  
James Olcott (ABSENT)



Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Thursday, April 26, 1990.

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  
Richard D. McFarlin  
Stanley C. Beach

Officer: James C. Chandler  
Engineer-Manager-Secretary

Others: William H. Spruance, Counsel  
Howard C. Barker  
Administrative Assistant/  
Assistant Secretary  
John Huetter  
Daniel Ditto  
Angus Mollison

Absent: James O. Orlopp

Engineer-Manager Chandler gave brief history of the Kings River Siphon Hydroelectric Project. He then reviewed the actions of the Board at their prior meetings, citing the offer to buy the Project had been rejected by United Savings Bank since it was a conditional offer.

Mr. John Huetter reported that work had progressed very well on the project during the past week.

Attorney Spruance then informed the Board that no official Board action should be taken at this meeting since a written notice had not been mailed and Director Orlopp was absent. Discussion followed.

Attorney Ditto then informed the Board that United Savings Bank was looking at executing a Forebearance Agreement with the Developer (KRSH) and would continue to fund the project. He agreed the best course of action for USB to take was to see the project completed.

Mr. Mollison then stated that a technical evaluation had been made and a cost estimate prepared to complete the project. He stated these studies more or less agreed with the projections of Les Haug.

Discussion then took place in regards to the ordering and delivery of critical components and the placement of a USB construction representative to assist with construction activities.

Mr. Ditto then stated that a Forbearance Agreement was being drafted and would be available to all parties on Friday, April 27, 1990.

Mr. Huetter stressed the importance of executing the Forbearance Agreement quickly since the project was facing cash flow problems.

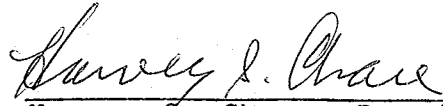
Discussion then turned to the time schedule for the testing and full operation of the plant. Potential problems were then discussed. Mr. Huetter then stated the project should be on line by the middle of June.

Mr. Mollison then asked if OCID would operate the plant. Mr. Chandler responded that OCID will be operating the plant and monitoring the plant by phonline.

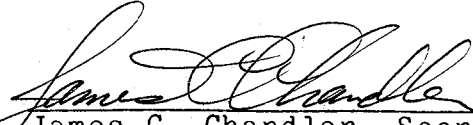
District staff had met with P.G. & E. and Mr. Huetter regarding plant operations. Also, Mr. Huetter will furnish the necessary O & M Manuals upon completion of the project.

A Special Board Meeting was called for Monday, April 30, 1990, at 1:30 P.M. at the District office.

With no further business to discuss, the Board Meeting was adjourned at 2:30 P.M..



Harvey S. Chase, President



James C. Chandler, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on April 30, 1990.

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

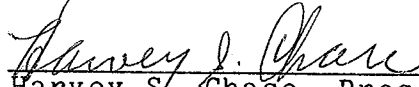
Directors: Harvey S. Chase, President  
 Donald W. Ketscher, Vice-President  
 Richard D. McFarlin  
 Stanley C. Beach  
 James O. Orlopp

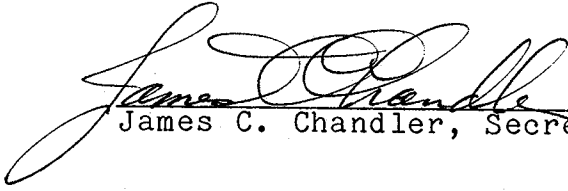
Officers: James C. Chandler  
 Engineer-Manager-Secretary

Engineer-Manager Chandler reviewed the events of the Special Meeting held April 26th for Director Orlopp who was absent at that meeting.

The Forbearance Agreement was then discussed. Also, a telephone conference was held with Counsel Spruance during the meeting regarding some last minute changes in the Agreement. The changes mostly involved date corrections to make the Agreement consistent throughout. Counsel Spruance also discussed the language added to the Acknowledgement to protect the District's position with the License and Operating Agreement. After discussion, Director McFarlin moved that the District accept the concept put forth in the Forbearance Agreement and authorize President Chase to sign the Acknowledgement. The motion was seconded by Director Ketscher and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 2:45 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 April 30, 1990 at 1:30 P.M. for the purpose of:

Kings River Siphon Hydroelectric Project - Review, discussion and possible approval of Foreberance Agreement and related matters.

Dated this 30th day of April, 1990.

Directors Harvey S. Chove  
Ray Kotschen  
Stanley A. Beach  
Richard M. Felt  
James A. Lopez

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 April 30, 1990 at 1:30 P.M. for the purpose of:

Kings River Siphon Hydroelectric Project - Review, discussion and possible approval of Foreberance Agreement and related matters.

Dated this 30th day of April, 1990.

Directors Harvey S. Chove  
Ray Kotschen  
Stanley A. Beach  
Richard M. Felt  
James A. Lopez

Minutes of the Special Board Meeting of the Orange Cove Irrigation District held on Friday, May 4, 1990.

The Meeting was called to order at 9:35 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

Engineer-Manager Chandler reviewed the events taking place over the last few days. John Huetter, ESD, informed Friant Power Authority May 1st that all attempts to finance the Fishwater Release Hydroelectric Project had failed. A meeting was held with Mr. Huetter May 2nd to explore options available to continue the project. Mr. Huetter was willing to terminate the License and Operating Agreement between FPA and ESD if FPA could secure money to continue the project. Mr. Huetter would agree to continue as a consultant for the project.

An Advisory Committee meeting was called for the morning of May 3rd and the situation explained to the other three participants. It appeared that money would have to be put in by the Districts that wanted to continue the Project. Madera Irrigation District and Chowchilla Water District said their District probably would not continue their participation if money had to be invested in advance of completion. Lindmore Irrigation District was uncertain as to what their District's position would be.

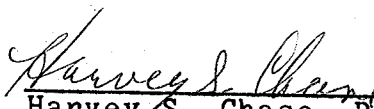
Through additional conversations with John Huetter, he felt he could still get the project completed in time to protect the Standard Offer #4 Contract if the Districts could pay the P.G. & E. interconnect cost which a payment was currently due. The interconnect cost is estimated to be about \$150,000.

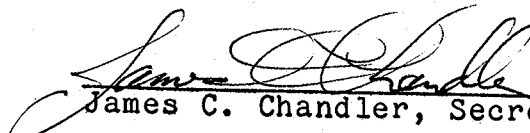
All the technical issues were again reviewed with the Board. The Board still felt the project is worth pursuing if the License and Operating Agreement with ESD could be modified and still provide the necessary legal protection for the the District.

Counsel Meith was then contacted and the issue reviewed with him by speaker phone. After considerable discussion, Mr. Meith said he felt the License and Operating Agreement could be modified to provide for the present objectives and protect the District. Mr. Meith further stated the modified agreement would not assure project completion by the critical date which the Board fully understood.

After further discussion, Director Ketscher offered a motion to continue the project and participate financially by paying the interconnect cost of which an initial payment of \$79,190 is now due. The motion was seconded by Director McFarlin and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 12:15 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 May 4, 1990 at 9:30 A.M. for the purpose of:

Discussion of Fishwater Release Hydroelectric Project.

Dated this 4th day of May, 1990.

Directors

Harvey J. Chase  
Stanley C. Beach  
Bill McFalls  
James A. Long

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 May 4, 1990 at 9:30 A.M. for the purpose of:

Discussion of Fishwater Release Hydroelectric Project.

Dated this 4th day of May, 1990.

Directors

Harvey J. Chase  
Stanley C. Beach  
Bill McFalls  
James A. Long

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, May 18, 1990.

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

Officers: James C. Chandler  
Engineer-Manager-Secretary

Minutes of the Regular Meeting held on April 11, 1990 and the Special Meetings held on April 4th, April 26th and April 30th, 1990 were approved as mailed on a motion by Director McFarlin and seconded by Director Beach.

Bills in the amount of \$298,352.57 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Orlopp.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$1,637,000.00 earning interest at 8.50 percent. The water supply meeting was held May 3rd. The water supply declaration was lowered to 61 percent with the projection of normal precipitation of two inches for May and June. If no precipitation is received during May or June, the declaration could drop to 46 percent. A followup meeting was held on May 17th. The declaration was held at 61 percent with a projected low of 51 percent with no addition precipitation during May or June.

Engineer-Manager Chandler then reported on his efforts to purchase additional water for the District. Tulare had a Board decision not to run their small supply of Class I water, but would not have a decision on how much they could sell Orange Cove I.D. until they had fulfilled their agreement with Lindsay-Strathmore Irrigation District. A decision on the Fresno County water had again been delayed. It appeared that it would be near the middle of June before we have answers on the amount of water that may be purchased through these sources.

Under "Public Input", Mr. Matsumoto appeared before the Board to request that the "Subject to Availability" be removed from his request for water. After discussion, the Board informed Mr. Matsumoto that he should sign up to purchase additional water from sources outside the District.

Mr. Chris Hash, representing Sierra View Ranch, also appeared before the Board to discuss leaks on System 9. Mr. Hash said they were getting considerable damage from leaks on that system. Mr. Hash was informed of the priority system which the District uses for repairs. Mr. Hash was also informed of the District's attempt to rehabilitate the distribution systems.

The hydroelectric projects were then discussed. A status report was given on the Kings River Siphon Project. The pacing item is delivery of the penstock. It appears power testing will commence during late June or early July. Regarding the Fishwater Release Project, the analysis comparing bond financing verses Maryland National Bank financed had not been completed. Therefore, it was suggested that this meeting be adjourned to the following week for review of that material.

The District Boundary reorganization was then discussed. LAFCO recommended that the Hills Valley Irrigation District reorganization be combined with the Orange Cove Irrigation District organization. After discussion, Director Ketscher offered a motion to revise the LAFCO application. The motion was seconded by Director Orlopp and unanimously approved by the Board.

A request from Tulare County Farm Bureau to support water education for teachers was then reviewed. The request was to support the program through a \$50 contribution. After discussion, Director Beach offered a motion to support the program. The motion was seconded by Director Ketscher and unanimously approved by the Board.

At 4:05 P.M. the Meeting was adjourned to Wednesday, May 23rd at 1:30 P.M..

The Board Meeting reconvened Wednesday, May 23rd at 1:35 P.M.. The following Directors and Officers present:

Directors: Harvey S. Chase, President  
Donald W. Ketscher, Vice President  
Beach  
Orlopp

Officer: James C. Chandler  
Engineer-Manager-Secretary

Absent: Richard D. McFarlin


Engineer-Manager Chandler informed the Board of the request to P.G. & E. to increase the capacity of the power plant for the Fishwater Release Project. P.G. & E. would not agree to the increase under the Standard Offer #4 Contract. An analysis was then made on the impact to the revenue from the project based on historical operation of the reservoir. The impact was determined to be insignificant.

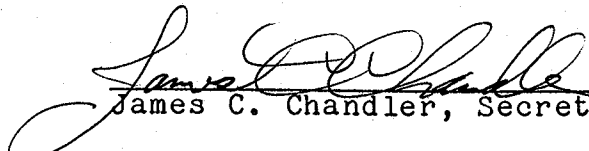
Discussion was then held comparing bond financing verses Maryland National Bank financing for the Fishwater and Kings River Siphon projects and the performances of the projects both individually and combined. After considerable discussion and the reaching of a general consensus by the Board members present, Director McFarlin was called and the matters were reviewed with him by speaker phone. With concurrence from Director McFarlin, Director Ketscher offered a motion to retain Maryland National Bank as financial advisor for both projects. The motion was seconded by Director Beach and unanimously approved by the Directors present.

The Board was then requested to hear an item regarding water purchases from outside OCID that was not an agenda item. Director Orlopp offered a motion to hear the new item. The motion was seconded by Director Ketscher and unanimously approved by the Board.

A letter from Pro Ag., Inc. was then reviewed which requested the District to purchase outside water for Pro Ag., Inc. and then permit Pro Ag., Inc. to transfer this water to another District. After discussion, Director Orlopp offered a motion to deny the request. The motion was seconded by Director Ketscher and unanimously approved by the Board.

With no further business to be discussed, the Meeting was adjourned at 2:05 P.M..

  
Harvey S. Chase, President

  
James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 13, 1990.

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
Others:	Jeffrey Meith and Michael Sexton, Legal Counsel

Minutes of the Regular Meeting held on May 18, 1990 and the Special Meeting held on May 4, 1990 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin.

Bills in the amount of \$136,378.34 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Orlopp.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$1,257,000.00 earning interest at 8.52 percent. The water supply meeting was held June 8th. The water supply declaration was held at 61 percent. Adequate precipitation was received to maintain the 61 percent declaration for the remaining water season.

It was then reported that Tulare I.D. had released 5,000 acre feet for sale at \$90 per acre foot. The District was calling all of the growers that had requested additional water in an effort to firm up demands by the 15th with Tulare I.D.

Contract Renewal Issues were then discussed. Engineer-Manager Chandler reported the EIS scoping activities. Counsel Meith reported on the renewal efforts by the four Districts currently trying to renew their contracts.

The Hydroelectric Projects were then discussed. Completion of the Kings River Siphon was projected for the week of July 16th. United Savings Bank had put a construction superintendent on the project to assist with coordination of construction activities. A letter from the Bank was then reviewed for the Board's consideration of offering to purchase the facility.

A report was then given on the Fishwater Release Project which included the need to amend the existing License and Operating Agreement with ESD under the current concept of building the project. Counsel Meith informed the Board that the agreement could be modified but there are no guarantees that the developer would not attempt to recover some of his cost if problems are encountered. It was also reported that Fish and Game had started an agreement to allocate money to the project upon successful completion.

Mr. Konvalin's Small Claims Appeal was then discussed. Counsel Sexton reported on the events taking place after the Court date was set for the appeal. Mr. Sexton further recommended to the Board that a meeting be held with Mr. Konvalin in an attempt to resolve all past issues and revise the easement with terms satisfactory to the District. The Board agreed with the concept and directed staff and Counsel to proceed.

The Computer System Proposals were then discussed. Each proposal was reviewed relative to the proposal request. Staff concluded that PCS had made the best proposal and recommended that the Board approve final negotiations with that firm. After discussion, Director McFarlin offered a motion to accept PCS's proposal and negotiate the final terms of the purchase. The motion was seconded by Director Beach and unanimously approved by the Board.

Mr. Kyle Stephenson then appeared before the Board to review the 1989 Audit Report performed by Baker, Peterson and Franklin. It was noted that the most significant change from previous years was the District's payment to the Bureau of Reclamation for the 1986 O & M deficit. Mr. Stephenson also discussed the letter addressed to the Board regarding the audit and the reasons for issuing the letter. After discussion, Director Ketscher offered a motion to accept the Audit Report. The motion was seconded by Director McFarlin and unanimously approved by the Board.

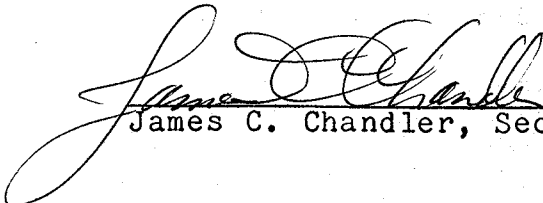
Personnel Salaries were then reviewed in consideration of making a cost-of-living adjustment. Engineer-Manager Chandler discussed the procedure used for salary and cost-of-living reviews and recommended that a cost-of-living adjustment of four percent be granted to all positions except the Operational Superintendent, the Engineer and the Engineer-Manager. After discussion, Director Orlopp offered a motion to grant the recommended cost-of-living. The motion was seconded by Director Beach and unanimously approved by the Board.

The 1990 CVPWA dues were then discussed. After discussion, Director McFarlin offered a motion to pay the dues. The motion was seconded by Director Ketscher and unanimously approved by the Board.

Two requests to purchase water were then discussed. Carollo Engineers requested four acre feet for Tulare County to test a new sewer treatment plant. After discussion, it was determined that the water would have to be delivered through Exeter I.D. and that the applicants should make their request to Exeter I.D.. Fresno County requested 2 acre feet for road construction on Crawford Avenue. After discussion, it was decided that the District did not have extra water to sell unless it is able to purchase some of the County's excess water. The Board directed staff to discuss this matter with the County.

With no further business to discuss, the meeting was adjourned at 5:00 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, July 11, 1990.

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

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

Officers: James C. Chandler  
Engineer-Manager-Secretary

Absent: Harvey S. Chase, President

Minutes of the Regular Meeting held on June 13, 1990 were approved as mailed on a motion by Director McFarlin, seconded by Director Beach.

Bills in the amount of \$425,872.56 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Orlopp.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$1,177,000.00 earning interest at 8.52 percent. The water supply meeting was held July 6th and the water supply declaration was raised from 61 percent to 64 percent. A review of the water use records showed that users were holding their District water for use in the later part of the irrigation season.

The preliminary water rates for 1991 were then reviewed. The projected rates for the OCID Contract were \$16.05, \$7.54 and \$27.38 for Class I, Class II and M & I Water respectively. Two other reports were reviewed from the Bureau. The first showed the final O & M cost for 1989 Class I water which was \$0.99 per acre foot higher than the amount charged by the Bureau. The 1990 rate is projected to be about \$8.55 per acre foot over the contract rate set by the Bureau.

A status report was then given on the Kings River Siphon and the Fishwater Release Hydroelectric projects. The Kings River Siphon is scheduled for completion near the end of July. Construction work on Fishwater Release Project had commenced and was progressing quite well. All critical items had been identified and from all appearances could be completed in time to protect the Standard Offer #4 Contract.

The Amendment for the License and Operating Agreement was then discussed. After discussion, Director Beach offered a motion to approve the Amendment subject to approval by Counsel and Engineer-Manager as to final form. The motion was seconded by Director McFarlin and unanimously approved by the Board.

A meeting with Mr. Konvalin to resolve disputes regarding a District pipeline crossing his property was then discussed. Mr. Konvalin agreed to give the District a full surface easement along with the existing subsurface easement if the District would install a new delivery and provide a surface drain for storm water runoff. After discussion, the Board agreed with the concept to resolve the dispute and directed staff and Counsel to draft a new easement for Board approval.

The computer software proposals were tabled since staff was not prepared to give final recommendation to the Board.

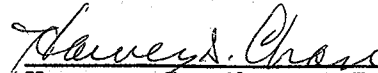


The Friant Water Users Authority's call for funds was then discussed. Additional funds in the amount of \$63,780 was needed to cover expenses in contract renewal issues. Orange Cove's share of the assessment is \$2,277.51. After discussion, Director Orlopp offered a motion to pay the assessment. The motion was seconded by Director Beach and unanimously approved by the Board.

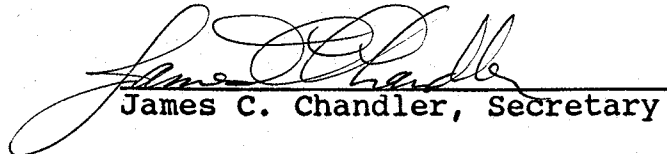
A letter from Fresno County requesting to purchase two acre feet of water for road construction and to enter into a Memorandum of Understanding for future similar water needs was discussed. After discussion, Director Beach offered a motion to sell the County two acre feet of water at \$90.50 per acre foot and to work with the County on a Memorandum of Understanding. The motion seconded by Director McFarlin and unanimously approved by the Board.

A letter from Mr. Howard Marshburn encouraging the District to pursue a distribution system rehabilitation program was then reviewed. After Discussion, the Board agreed to accept the letter as support to pursue a rehabilitation program.

With no further business to discuss, the Board Meeting was adjourned at 3:20 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 8, 1990.

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

Minutes of the Regular Meeting held on July 11, 1990 were approved as mailed on a motion by Director Ketscher seconded by Director McFarlin.

Bills in the amount of \$190,152.47 were read, approved and ordered paid on a motion by Director Beach, seconded by Director McFarlin.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$922,000.00 earning interest at 8.52 percent. The water supply was then discussed. A large supply of water was being accumulated for use late in the irrigation season. Concerns are that if large demands are placed on the District we would be unable to deliver the full demand due to capacity limitations in the systems.

Under Public Input, Mr. Alan Corrin appeared before the Board to discuss system capacity problems on the end of I.D. #8. Mr. Corrin was informed that there was very little potential to increase capacity without major modifications to the existing system. Mr. Corrin then asked the Board to support an upgrade program rather than continue to pay high maintenance cost. He also requested a list of current owners in I.D. #8 so he could contact them to solicit support for a program to upgrade the system.

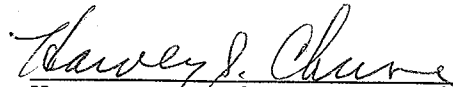
Under Hydroelectric Projects, the key issue is that both projects are schedule for pre-parallel testing by Pacific Gas & Electric Company. The Kings River Siphon is scheduled for testing on August 14th and the Fishwater project is scheduled for August 21st. If the pre-parallel test are successful, the standard Offer #4 contracts with Pacific Gas & Electric will be protected for both projects. The Fishwater project is still waiting for a financial proposal by Maryland National Bank. Due to the lateness of receiving any proposal from MNB, efforts to finance locally are now being made.

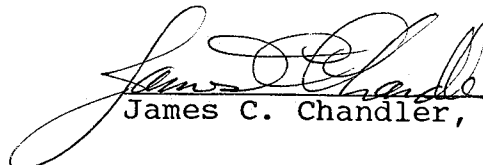
Under Computer Software, a proposal by PCS Professional Computer Services to prepare the District's water, assessments and maintenance program was discussed. After discussion, Director McFarlin offered a motion to accept the proposal. The motion was seconded by Director Beach and unanimously approved by the Board.

A bill form ACWA for an unpaid portion of their dues was then discussed. The reason for not paying a portion of the dues was also discussed. After discussion, Director Orlopp offered a motion to pay the additional dues. The motion was seconded and unanimously approved by the Board.

the preliminary 1991 Budget was then presented and briefly reviewed. The intent is to get a draft budget to the Directors for full discussion in the September Board meeting.

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 Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, August 29, 1990.

The Meeting was called to order at 3:00 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  
 Others: Jeffrey A. Meith  
 Legal Counsel

A review was made of the financing proposals made for the Fishwater Release Hydroelectric Project. Two proposals were reviewed. After review and discussion, Director Ketscher offered a resolution to accept the proposal by Wells Fargo Bank, subject to changes necessary for compliance with the California Water Code, and to present their proposal to the Districts Securities Division of the State Treasurer Office for approval. The motion was seconded by Director McFarlin and unanimously approved by the Board.

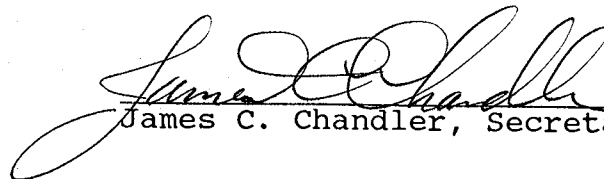
Discussion was then held in consideration of advancing a material payment to O & F Constructors for the amount of \$50,000. Counsel Meith suggest that if this is to be done, it should be done through a promissory note with guaranteed payment plus interest if the project was not financed by OCID. After discussion, Director Beach offered a motion to make the advanced payment subject to the execution of a promissory note and granting a time extension to November 1, 1990 for OCID to complete its financing of the project. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The status of the District's 1990 water supply was then reviewed. Due to a major conservation efforts by the water users, a large water supply was left available for use during the remainder of the irrigation season. Engineer-Manager Chandler recommended that the District's supply be opened for all to use for the remainder of this water year. Director Ketscher offered a motion to open the water supply, which was seconded by Director Beach and unanimously approved by the Board.

The District's penalty and resulting lawsuit against the U.S. Bureau of Reclamation over the 1987 landholder forms was then discussed. Counsel Meith gave a status report on the suit and his estimated cost to handle the case. He asked if the Board wanted to offer to settle the suit in lieu of going to Court. After discussion, the Board directed Counsel Meith to seek a settlement offer from the Bureau. If they are unwilling to try to settle the case, the Board's feeling at this time is to pursue the lawsuit.

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

  
 Harvey S. Chase, President

  
 James C. Chandler, Secretary

CONSENT TO SPECIAL BOARD MEETING

We, the undersigned, constituting the Board of Directors of the Orange Cove Irrigation District, do hereby consent to a Special Meeting of the Board of Directors of the Orange Cove Irrigation District to be held in the office of the District on August 29, 1990 at 3:00 P.M. for the purpose of:

1. Review proposals(s) to finance the Fishwater Release Hydroelectric Project and Authorization to submit to District Securities Division of the State Treasurer Office.
2. Discussion in consideration of advancing a material payment to O & F Constructor for \$50,000.
3. Water Issues - Review water supply available to complete water season in consideration of opening the supply.
4. 1987 Landholder Form Penalty - Discussion to alternatives to resolve the dispute over penalty paid by the District.

Dated this 29th day of August, 1990.

CONSENT TO SPECIAL BOARD MEETING

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2. Discussion in consideration of advancing a material payment to O & F Constructor for \$50,000.
3. Water Issues - Review water supply available to complete water season in consideration of opening the supply.
4. 1987 Landholder Form Penalty - Discussion to alternatives to resolve the dispute over penalty paid by the District.

Dated this 29th day of August, 1990.

Directors

*[Handwritten signatures of five directors]*

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, September 12, 1990.

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

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

Officers: James C. Chandler  
Engineer-Manager-Secretary

Absent: Richard D. McFarlin

Minutes of the Regular Meeting held on August 8, 1990 were approved as mailed on a motion by Director Beach seconded by Director Ketscher.

Bills in the amount of \$175,268.84 were read, approved and ordered paid on a motion by Director Ketscher, seconded by Director Beach.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$902,000.00 earning interest at 8.44 percent. The water supply was then discussed. There is 11,620 acre feet remaining for the season with about 60 days to use the supply due to the dewatering of the Canal.

The Regular Meeting was recessed at 2:00 P.M. and the Board reconvened as the Board of Equalization. In that no person elected to appear before the Board of Equalization, the Board accepted the Assessor's Book as prepared on a motion by Director Ketscher. The motion was seconded by Director Beach and unanimously approved by the Board.

The Board of Equalization Hearing was then adjourned and the Regular Meeting reconvened. The Budget was then discussed. The preliminary water rate was set at \$18.00 ( the rate at which the District purchases water). This rate is subject to change since the Bureau's final water rate will not be established until January 1991. The only other significant change was the standby charge which increased from \$2.25 to \$2.50 per acre. The principle reason was to replace reserves expended on reclamation issues over the last two years. After discussion, Director Beach offered a motion to accept the Budget as proposed. The motion was seconded by Director Orlopp and unanimously approved by the Board.

Director Ketscher then offered a resolution fixing the amount and rate of the 1991 assessment. The resolution was seconded by Director Beach and unanimously approved by the Board. Resolution No 6-90.

Director Orlopp then offered a resolution setting the 1991 Standby Charge. The resolution was seconded by Director Beach and unanimously approved by the Board.

A status report was then given on the Kings River Siphon and the Fishwater Release Hydroelectric Projects. The Kings River Siphon was generating power as a manned plant during work hours at the site. Interfacing with the Canal controls has not been approved by the Bureau at the time. The Fishwater Project had successfully passed the pre-parallel inspection by P.G. & E. and construction activity halted until either the District or the Developer obtained financing to complete the Project.

The Board then discussed the need to start a contingency plan to finance the Kings River Siphon Project in case the Developers are unable to provide term financing. After discussion, Director Ketscher offered a motion directing Engineer-Manager Chandler to seek term financing through Smith Barney and authorizing the expenses associated with the preliminary work. The motion was seconded by Director Beach and unanimously approved by the Board.

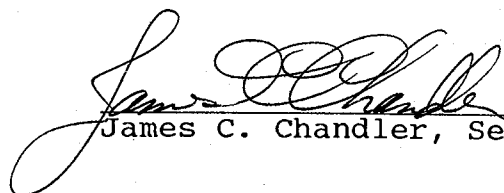
A discussion was then held regarding the District's position on sending representation to Washington D.C. regarding Reclamation issues. After discussion, the Board stated its position as one in which everyone benefitting from the trip should share equally. This would mean that Friant Water Users Authority budget for this purpose or that other districts send representation since this District had already done so.

A call for a special assessment for CVPWA for the Bay-Delta and water rights issues was then discussed. After discussion, Director Ketscher offered a motion to pay the assessment. The motion was seconded and unanimously approved by the Board.

Under Personnel, the salary for the staff engineer was discussed. Based on the ACWA Salary Survey, it was recommended that the salary for this position be set at \$2,500.00 per month. After discussion Director Ketscher offered a motion to approve the salary. The motion was seconded by Director Orlopp and unanimously approved by the Board.

With no further business to discuss, the Board Meeting was adjourned at 4:10 P.M..

  
Harvey S. Chase, President

  
James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 10, 1990.

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

Minutes of the Regular Meeting held on September 12, 1990 were approved as mailed on a motion by Director McFarlin, seconded by Director Beach.

Bills in the amount of \$161,461.76 were read, approved and ordered paid on a motion by Director Beach, seconded by Director McFarlin.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$627,000.00 earning interest at 8.42 percent. It was then reported that there was adequate water to run to November 15th with a good possibility of some carryover.

A report was then given on the butterfly valve failure at the Kings River Siphon Hydroelectric Project. A Forensic Engineer investigated the failure at the site and he and another engineer were preparing a report for the insurance company. The insurance carrier would not permit operations of the other three units until the problem was defined. A quick review was also made of the potential power production based on additional information and test date.

The Fishwater Release Project was then discussed. A letter from P.G. & E. was reviewed showing the monthly cost for the interconnect equipment lease. A P.G. & E. document before the California Public Utility Commission regarding Rule 43 of the CPUC Rules of Practice and Procedure was also reviewed. The transfer of the project from Friant Power Authority to Orange Cove Irrigation District was then discussed. After discussion, Director Orlopp offered a resolution to accept the transfer from Friant Power Authority. The resolution was seconded by Director McFarlin and unanimously approved by the Board. (See Resolution 9-90).

The need for the District to collect additional revenues to pay any outstanding balance on the Fishwater Bank loan at the end of the five year period was then discussed. Districts Securities Division of the State Treasurers Office wanted this assurance in order for their approval on the bank loan even though the project revenues should pay off the loan in five years. The project benefits were again reviewed in consideration as to whether the project benefits justified collecting additional funds from the landowners/waterusers to pay off the loan at the end of the five year period. After discussion, Director Beach offered a resolution to collect \$2.00 per acre foot of water for the 1990 and 1991 water seasons and then for the remaining three years collect a minimum of \$1.00 per acre of land in the District plus a minimum of \$1.00 per acre foot of water sold in the District. Both the per acre and per acre foot charges would be capped at \$2.00 each for the same period. The resolution was seconded by Director McFarlin and unanimously approved by the Board.

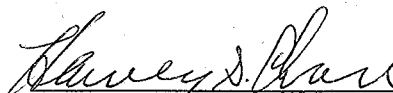


The loan document revised for the \$1.2 million loan was then discussed. After discussion, Director McFarlin offered a motion to approve the loan document. The motion was seconded by Director Beach and unanimously approved by the Board.

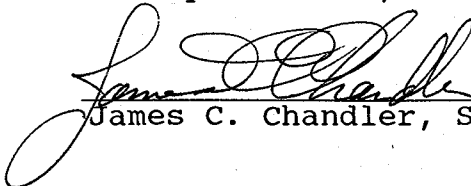
A letter from Ito Packing was then reviewed regarding their purchase of outside water just prior to the District opening the water supply. After discussion, the Board denied the request to return \$4,524.00 because there had been no earlier contemplation of opening the water supply at this date.

Under Equipment Needs, Engineer-Manager Chandler recommended the purchase of two hand operated compactor for the District. The immediate need was to install road crossings for the Reclamation Project. In addition, the District has to rent this type of equipment when working public road rights-of-way. After discussion, Director Ketscher offered a motion to purchase two units which would be paid for equally between the Reclamation fund and the District's general fund. The motion was seconded by Director Beach and unanimously approved by the Board.

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, November 14, 1990.

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

Officers: James C. Chandler  
 Engineer-Manager-Secretary

Minutes of the Regular Meeting held on October 10, 1990 were approved as mailed on a motion by Director McFarlin, seconded by Director Ketscher.

Bills in the amount of \$108,789.04 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$507,000.00 earning interest at 8.32 percent. The water report was then given. The season usage of water will be about 30,660 acre feet which would leave about 1,800 acre feet available for carryover. It was noted that Lindmore Irrigation District was interested in a transfer of about 400 acre feet which would be made with OCID having a full right to recall the water in 1991 if needed.

A pumping cost comparison chart was then reviewed which showed the amount power bills had been reduced on the 3A system, particularly, with the reservoir coming on-line in July of 1990. Two letters from legal counsel was also reviewed which gave the status of the NRDC vs. Hancock litigation.

The Hydroelectric Projects were then reviewed. The Kings River Siphon Project was still waiting for the Forensic Engineers report following the butterfly valve failure. The problem can not be fully addressed until the engineers complete their review. It was also noted that P.G. & E. was now releasing the \$5,000 escrow account for the Kings River Project since the project had generated power. A status report was then given on the efforts to finance the Fishwater Release Project. Districts Securities Division had issued their approval order for the \$1.2 million finance. The collateral assignment and consent to assignment documents had been prepared by OCID's Counsel and were out for review.


The Distribution Systems Rehabilitation program was then discussed. The main item of consideration was the time to mail the questionnaire since the irrigation season was over. The Board agreed that it should be mailed as soon as possible with a followup mailing near the end of December if needed.

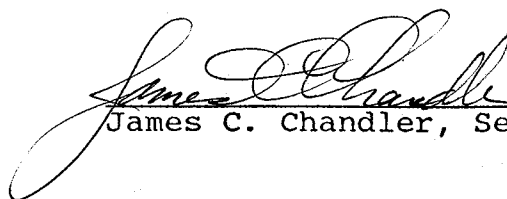
The Friant Water Users Authority's budget and a call for funds was then reviewed. After discussion, Director McFarlin offered a motion to pay the dues. The motion was seconded by Director Beach and unanimously approved by the Board.

The ACWA Water Awareness solicitation for funds was then discussed. After discussion, the Board elected not to participate in the program.

The ACWA dues were then discussed. The dues were \$2,351.00 for 1991, up about \$300 from 1990. After discussion, Director Orlopp offered a motion to pay the dues. The motion was seconded and unanimously approved by the Board.

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 Wednesday, December 12, 1990.

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

Minutes of the Regular Meeting held on November 14, 1990 were approved as mailed on a motion by Director Beach, seconded by Director McFarlin.

Bills in the amount of \$116,136.27 were read, approved and ordered paid on a motion by Director Orlopp, seconded by Director Ketscher.

The Monthly Report was then discussed. Cash in the Local Agency Investment Fund is \$427,000.00 earning interest at 8.29 percent. The water report was then given. The total season water usage was 30,554 acre feet which would leave 1,923 acre feet available for carryover. 317 acre feet were transferred to Lindmore Irrigation district with the right to recall in 1991 if needed by OCID.

A discussion was then held regarding the need for additional water for 1991 if the drought continues in California. The Board agreed that contacts should be made to determine the availability of outside water for the coming year.

A status report was then given on the Kings River Siphon Hydroelectric Project. The Forensic Engineer's report had not yet been received regarding the butterfly valve failure. A meeting had also been held with Waterman to review plans to modify all butterfly valves to increase their strength. It was agreed between Kings Rivers Syphon Hydropower partnership, United Savings Bank and Waterman that the valves should and would be modified. There was no discussion on who would pay the cost.

The Fishwater Release Hydroelectric project was then discussed. Project financing was still held up since the U.S. Bureau of Reclamation had taken the position that the FERC License should be transferred before they consent to the collateral assignment of the Tri-Party Agreement. Counsel Meith was working with the Bureau on this issue. The Bank had agreed to accept collateral pledges from Friant Power Authority if the Bureau would issue a letter agreeing to a collateral consent upon completion of the FERC License transfer. Other alternatives for getting over this hurdle were discussed, but, it was the consensus of the Board to pursue the FPA pledge with a favorable letter from the Bureau.

A discussion was then held regarding the Summary Judgement hearing of the 1987 landholder form penalty. Judge Price was unwilling to hear argument regarding the issues. He then denied the claim for damages and ordered the federal attorney to file a motion for summary judgement on the issues. It was felt by Counsel that the District's best position would be to drop the action in Federal District Court and move the case to the Court of Claims. Director Ketscher offered a motion to move the case to the Court of Claims. The motion was seconded by Director Beach and unanimously approved by the Board.

A letter claiming damages on Sierra View and Orange Cove Ranches was then reviewed. Recommendations from Counsel Meith was also discussed. After discussion, Director Ketscher offered a motion for Counsel Meith to respond to the letter. The motion was seconded by Director McFarlin and unanimously approved by the Board.

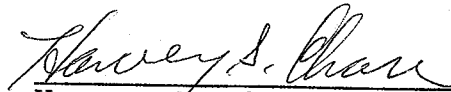
An environmental assessment prepared for the proposed connection of the 1AE system to the 3A regulating reservoir was then discussed. After discussion, Director Beach offered a motion to file a negative declaration. The motion was seconded by Director McFarlin and unanimously approved by the Board.

Damages to the Cat Loader and alternatives to repair the loader were then discussed. After discussion, Director Ketscher offered a motion to repair the loader with the pro-package engine overhaul. The motion was seconded by Director Orlopp and unanimously approved by the Board.

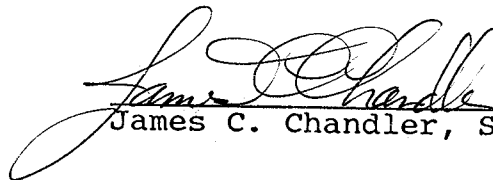
A Letter of Agreement between Baker, Peterson & Franklin to prepare the 1990 audit was then reviewed. After Discussion, Director Ketscher offered a motion to approve the agreement. The motion was seconded by Director Beach and unanimously approved by the Board.

A Salary review for Engineer-Manager Chandler was then made. Salary information from the ACWA survey was reviewed along with general information from the Friant group. Also discussed was the extra fuel used during development of the Fishwater project in July and August. An executive session was called at 4:20 P.M.. The Regular Board Meeting reconvened at 4:35 P.M.. Director Ketscher offered a motion to raise the manager's salary to \$5,600.00 per month, raise the mileage to 24 cents per mile and allot an extra 80 gallons of fuel during the months of July and August. The motion was seconded by Director Orlopp and unanimously approved by the Board. The Board also agreed to keep the Manager's salary review on a two year period.

With no further business to discuss, the Board Meeting was adjourned at 4:45 P.M..



Harvey S. Chase, President



James C. Chandler, Secretary