

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday January 11, 2017. Chairman Bailey called the meeting to order at 12:05 P.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert T. Ramirez, Controller/Treasurer

Others: Bryan Orlopp – District Landowner
Mark Hendrixson – District Landowner

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for January 2017 to order at 11:48 P.M., with a quorum of Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Director Collin, III motioned to accept the agenda and Director Brown seconded the motion. *The Board voted unanimously in favor of approving the Agenda.*

3. Public Comments.

No Public Comment.

4. Approval of December 2016 Regular Board Meeting Minutes

Director Miller motioned and Director Brown seconded the motion to accept the draft December 2016 minutes as written.

5. Approval of Bills.

Controller Ramirez reviewed the warrants for approval for the period December 11, 2016 through January 10, 2017, totaling general fund expenditures of \$205,546.24, and capital expenditures of \$16,650.00.

Director Miller motioned and Director Brown seconded the motion for ratifying payment of the bills as presented.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report

Controller Ramirez covered Items A through J of the monthly report, including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage by customer (nothing of concern in this topic), total water deliveries for the 2016/17 Contract Year of 24,028 acre feet (0 deliveries in December), and various financial categories including KRSH (\$0.00) and FWR (\$10,046.44) power plant revenues, LAIF balance, performance and return and CD's. Director Brown asked for a recap of the various legal bills summarized on page 10 of the monthly report. Manager Morrissey went over the categories of charges in detail.

Manager Morrissey discussed the December/January Monthly Operations and Maintenance Report with the Board. It was noted that the FKC would be back up and operational no later than the 15th of January.

Keith Clem provided the Board with a detailed briefing of the ongoing work at the FWR, as a result of a short in the switchgear that caused considerable damage. It was noted to the Board, that the worst-case repair estimate would be \$100,000. Under that worst case estimate, the Board acknowledged that the cost / benefit was < 1.0 and therefore it should be fixed.

No action resulted from the discussion on the Monthly Report.

7. Water Management

Manager Morrissey discussed the local regional water supply and delta operations, including outlook for the 2017 water year. The Upper San Joaquin River basin is in the process of getting very high levels of precipitation. As a result, flows down the SJR to the Delta will be elevated for an extended period, which will allow the state and federal pumps to run at full throttle.

Given the current hydrology, Delta Pumping, current and projected SLR storage....it is hard to envision a scenario where there will not be 100% Class 1. As of today, the 90% upper SJR Water Year runoff exceedance forecast is approaching 3 million acre-feet.

No action was taken by the Board.

8. Electrical Power

Production on District facilities and progress on the QLPP construction were discussed. No action was taken by the Board.

9. FWA Issues

Manager Morrissey discussed various activities being undertaken by the FWA. No action was taken by the Board.

10. Closed Session

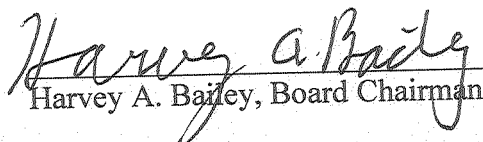
The Board discussed with General Counsel Kuney pending litigation matters at 12:15.

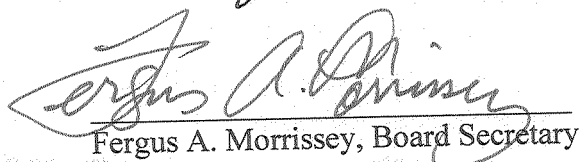
11. Return to Open Session

The Board returned to Open Session at 12:30 with no reportable action.

12. Adjourn

The Board adjourned the meeting at 2:15 P.M. with the next regular monthly Board of Directors meeting to be held on Wednesday February 8, 2017 at 11:30 A.M. at 1130 Park Boulevard, Orange Cove, California.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday February 8, 2017. Chairman Bailey called the meeting to order at 11:52 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
 H.A. "Gus" Collin, III, Vice-Chairman
 David Brown, Director
 Russell Katayama
 Arlen Miller, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
 Robert T. Ramirez, Controller/Treasurer

Others: Douglas DeFlitch – FWA
 Mike Altman – Solar City
 Mark Hendrixson – Landowner

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for February 2017 to order at 11:52 A.M., with a quorum of Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted that there would be no Closed Session, so items 10 and 11 were tabled. Director Brown motioned to accept the agenda and Director Katayama seconded the motion. *The Board voted unanimously in favor of approving the Agenda.*

3. Public Comments.

No Public Comment.

4. Approval of January 2017 Regular Board Meeting Minutes

Director Miller motioned and Director Brown seconded the motion to accept the draft January 2017 minutes as written.

5. FWA Issues

The new *Chief Operating Officer* of the Friant Water Authority, Mr. Douglas DeFlitch, was introduced by Manager Morrissey. Mr. DeFlitch provided the Board with a thorough summary of his history and professional background in the water arena, dating back to 1997 when he started worked in the water operations of the FWA.

In his current role he will serve as the general manager of the Friant Water Authority's Operations, Maintenance and Administration Departments. He noted that he is the "go to guy" and will be in the Lindsay Office primarily, and will be available any time for questions or discussion or feedback *from all of the Districts served by the FWA.*

6. Ratification of Bills.

Controller Ramirez reviewed the warrants for approval for the period January 6, 2017 through February 8, 2017, totaling general fund expenditures of \$148,369.33, Debt Service Payment of \$292,876.65, and capital expenditures of \$73,928.41.

Director Miller motioned and Director Collin, III seconded the motion for ratifying payment of the bills as presented.

The Board voted unanimously in favor of ratifying the payments presented.

7. Monthly Report

Controller Ramirez covered Items A through I of the monthly report, including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage by customer (nothing of concern in this topic), total water deliveries for the 2016/17 Contract Year, and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

No action resulted from the discussion on the Monthly Report.

8. Water Management

Manager Morrissey discussed the local regional water supply and delta operations, including outlook for the 2017 water year.

Given the current hydrology, Delta Pumping, current and projected SLR storage....it is hard to envision a scenario where there will not be 100% Class 1. As of today, the 90% upper SJR Water Year runoff exceedance forecast is approaching 3.5 million acre-feet.

It was noted that it appeared likely that all of the Carryover of non-project supplies in SLR would be lost due to high rates of Delta pumping.

It was noted that it appeared likely that the District would not be able to carry over any of its 2016/17 Contract supply, and efforts to transfer that water were ongoing.

No action was taken by the Board.

9. Electrical Power

Production on District facilities and progress on the QLPP construction were discussed.

No action was taken by the Board.

10/11. Tabled**12. Solar Power**

Mike Altman, representative of Solar City, provided the Board with a summary of solar power offerings that Solar City would be able to provide the District.

The consensus of the Directors was that further exploration and pursuit of a project with Solar City was warranted and Manager Morrissey will work toward identifying land / facility location options with hopeful options by the March Board meeting.

13. Family Farm Alliance

Manager Morrissey discussed the success and ongoing opportunity for success by the activities of the FFA.

Director Brown motioned to contribute an additional \$1,000 to the FFA cause. Director Collin, III seconded the motion and the Board voted unanimously in favor.


14. Resolution 2017-01

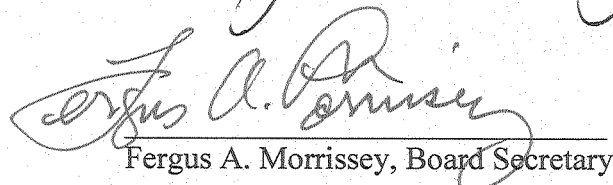
Director Collin motioned to that the District offer support for Cucamonga Water District Director Tiegs to serve on the ACWA Executive Committee. Director Brown seconded the motion and the Board voted unanimously in favor.

15. Adjourn

Prior to meeting Adjournment, Director Katayama informed the Directors that he would be resigning from the Board, effective immediately.

The Board adjourned the meeting at 3:35 P.M. with the next regular monthly Board of Directors meeting to be held on Wednesday March 8, 2017 at 11:30 A.M. at 1130 Park Boulevard, Orange Cove, California.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday March 8, 2017. Chairman Bailey called the meeting to order at 11:52 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert T. Ramirez, Controller/Treasurer

Others: Bryan Orlopp – Landowner/Prospective Director
Mark Hendrixson – Landowner

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for March 2017 to order at 11:52 A.M., with a quorum of Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted that there would be an addition to the agenda that was mailed in the packet the previous Friday. The item is for the Board to consider adopting Resolution 2017-02 to agree to enter into a 215 Temporary Water Service Contract with the United States. It was also noted that no Closed Session time was needed and so items 10 and 11 were tabled. Director Brown motioned to accept the agenda and Director Miller seconded the motion. *The Board voted unanimously in favor of approving the Agenda as was modified more than 48 hours prior to the meeting.*

3. Public Comments.

No Public Comment.

4. Resolution 2017-02 – Temporary 215 Water Service Contract.

Director Collin, III motioned and Director Miller seconded the motion to adopt Resolution 2017-02. Following the motion and second, there was no discussion as the availability of 215 supplies, could only afford water management flexibility. The Board voted unanimously in favor of adopting Resolution 2017-02 approving Chairman Bailey to execute the 215 Contract and for staff to act on acquiring 215 supplies at their discretion.

5. Appointment of Division 5 Director.

The Division 5 Director seat is presently vacant following the resignation of Director Katayama on February 8, 2017. It was noted that District staff posted a notice of vacancy of a Director representing Division 5 in three conspicuous locations within the District, and notified the County of Tulare of such vacancy. The Division 5 representative may serve as appointed for the remainder of the Division 5 election term, through 2018.

The Board considered Resolution 2017-03 to appoint Mr. Bryan Orlopp, landowner and resident in Division 5, as the Director through 2018. Director Collin, III motioned to appoint Mr. Orlopp Director, and Director Miller seconded the motion. After brief discussion the Board voted unanimously in favor of the motion and the second to adopt Resolution 2017-03 and appoint Mr. Orlopp as Director of Division 5.

6. Approval of February 2017 Minutes.

Director Collin, III motioned and Director Miller seconded the motion to adopt the minutes of the January meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft January 2017 minutes as written.

7. Ratification of Bills.

Controller Ramirez reviewed the warrants for approval for the period February 9, 2017 through March 8, 2017, totaling general fund expenditures of \$423,287.28, Debt Service Payment of \$0, and capital expenditures of \$28,695.70.

Following a recapitulation of the bills to be ratified, Director Miller motioned and Director Orlopp seconded the motion for ratifying payment of the bills as presented.

The Board voted unanimously in favor of ratifying the payments presented.

8. Monthly Report

Controller Ramirez covered Items A through I of the monthly report, including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage by customer (nothing of concern in this topic), total water deliveries for the 2016/17 Contract Year, and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

Messieurs Morrissey and Clem discussed recent O&M activities, focusing on work that is ongoing at the Fishwater Hydroelectric plant. It was noted that the total repair cost to the switchgear is approximately \$60,000 and all work should be completed in 10 days or so.

No action resulted from the discussion on the Monthly Report.

9. Water Management

Manager Morrissey discussed the local regional water supply and delta operations, including outlook for the 2017 water year.

As of today, the 90% upper SJR Water Year runoff exceedance forecast exceeds 4.0 million acre-feet.

It was noted that the District would not be electing to carry over any of its 2016/17 Contract supply as other water available at a lower rate could be purchased during the wet period, and after the wet period all remaining carryover would be lost, including the \$10+ fee imposed by the BOR to approve carryover requests.

No action was taken by the Board.

10. Electrical Power

Production on District facilities and progress on the QLPP construction were discussed. No action was taken by the Board.

11/12. Tabled**13. Solar Power**

Staff is continuing to identify potential locations on which to install a 1 MW solar system to offset the Districts contiguous meters via Net Metering.

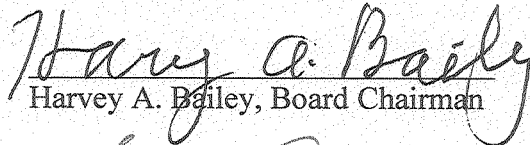
No action was taken by the Board.

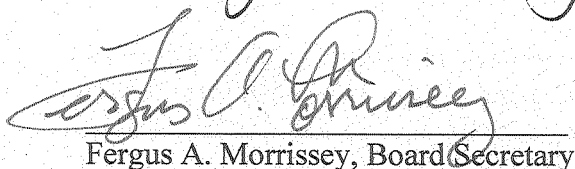
14. Resolution 2017-04 - 2017 URF

Director Collin, III motioned that the District adopt Resolution 2017-04 to approve the execution of a contract with the United States to purchase URF water that may be made available to the District during the 2017/18 Contract Year. Director Orlopp seconded the motion and the Board voted unanimously in favor of such.

15. Adjourn

The Board adjourned the meeting at 2:07 P.M. with the next regular monthly Board of Directors meeting to be held on Wednesday April 12, 2017 at 11:30 A.M. at 1130 Park Boulevard, Orange Cove, California.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday April 19, 2017. Chairman Bailey called the meeting to order at 12:19 P.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
 H.A. "Gus" Collin, III, Vice-Chairman
 David Brown, Director
 Arlen Miller, Director
 Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary

Others: Keith Clem - Staff

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for April 2017 to order at 12:19 P.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted that there would be consideration by the Board of two (2) additional items for the Agenda that would be added for action provided a 2/3 majority vote were to be cast in approving addition to the mailed agenda. Those two items for consideration were:

1. District's execution of a Memorandum of Understanding with the Bureau of Reclamation to be a "Cooperating Agency" on Reclamation's effort to undertake their NEPA obligation associated with development of a *Long-term Recapture and Recirculation of Restoration Flows Environmental Impact Statement*, and
2. District's execution of a Legal Services Agreement with Braun Blaising Smith Wynn, P.C. to provide legal and regulatory counsel to the District on its hydropower assets and consideration of solar generation.

Director Brown motioned to add both of these items to the Board Agenda for consideration. Director Collin, III seconded the motion. The Board voted unanimously in favor of the motion and second to add the two aforementioned items to the April 2017 Agenda.

3. Public Comments.

No Public Comment.

4. Approval of March 2017 Minutes.

Director Miller motioned and Director Collin, III seconded the motion to adopt the minutes of the March meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft March 2017 minutes as written.

5. Ratification of Bills.

Manager Morrissey went over the Warrants to be approved by the Board in Controller Ramirez' absence.

Director Collin, III had a question on the lack of "Catastrophic Coverage" on its property program renewal billing and whether or not that should be a category covered. Manager Morrissey noted that he would discuss this issue with Controller Ramirez upon his return and report back to the Board.

7. Water Management

Morrissey discussed the very promising water supply picture and the fact that at this time and for as long as Reclamation makes that color of water available, RWA water would be diverted into the District. Manager Morrissey also discussed some water transfers and exchanges that would be considered in the coming months.

As part of this topic, Manager Morrissey discussed Reclamation's request for the District to consider executing a Memorandum of Understanding with the Bureau of Reclamation to be a "Cooperating Agency" on Reclamation's effort to undertake their NEPA obligation associated with development of a *Long-term Recapture and Recirculation of Restoration Flows Environmental Impact Statement*.

By motion of Director Collin, III and second by Director Brown, the Board voted unanimously in favor of participating as a Cooperating Agency with Reclamation on their NEPA compliance.

8. Electrical Power

FPA Manager Quinley briefed the Board on status of the QLPP and the DTT issues reporting good progress on both fronts. It is expected that the QLPP will begin producing power the first week of May (2017) and that the DTT project is progressing such that FPA is hopeful that it will not be curtailed this summer.

The Board expressed their appreciation to Manager Quinley for his efforts and attention to issues concerning FPA.

Manager Morrissey discussed the draft PPA that was provided to the District by soon to be formerly Solar City and the need to have that reviewed by legal counsel, should it be a path for energy production to be further explored.

Manager Morrissey noted that prior to that, legal counsel would be sought regarding the ability to wheel power directly from the FWR and KRSH to the District given the fact that the PPA with PG&E for these facilities are coming to an end of term in 2019.

In terms of these two items, Manager Morrissey discussed the option of entering into a Legal Services Agreement with **Braun Blaising Smith Wynne, P.C.**, to provide legal consulting services to the District. The Agreement would provide input to Manager Morrissey and the Board on specific requests, outline by Manager Morrissey.

Manager Morrissey noted this firm comes highly regarded by Mr. Gary Sawyers and by FPA who utilizes their expertise in the electrical power arena.

Director Brown motioned and Director Collin, III seconded the motion for Manager Morrissey to execute a Legal Services Agreement with said firm for the noted advisement. The Board, upon motion, second and discussion, voted unanimously in favor of executing an LSA with Braun Blaising Smith Wynne, P.C.

9. Closed Session

This item was tabled.

10. Return to Open Session

With tabling of Item 9, this item is moot.

11. Solar Power

Manager Morrissey discussed with the Board the status of this opportunity under consideration.

No action was taken by the Board.

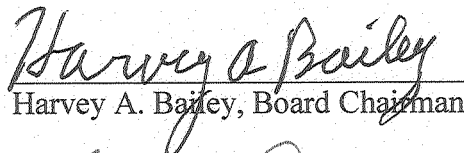
12. Resolution 2017-08

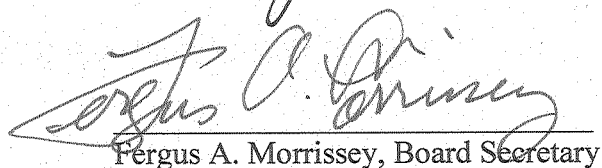
The Board considered a Resolution in support of ACWA's Policy Statement on Bay-Delta Flows. ACWA's Policy encourages the State Water Board to embrace a collaborative, science based approach to developing fishery flow requirements on the San Joaquin River tributaries in contrast to their current approach that is based on prescribing flows without any data related to incremental benefit analysis that would be derived from incremental flows.

By motion of Director Miller, second of Director Orlopp and a vote unanimously in favor of said motion and second, the Board voted unanimously in favor of supporting ACWA's Bay-Delta flow policy statement.

13. Adjourn

The Board adjourned the meeting at 4:07 P.M. with the next regular monthly Board of Directors meeting to be held on Monday May 22, 2017 at 11:30 A.M. at 1130 Park Boulevard, Orange Cove, California.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Monday May 22, 2017. Chairman Bailey called the meeting to order at 11:52 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
 H.A. "Gus" Collin, III, Vice-Chairman
 David Brown, Director
 Arlen Miller, Director
 Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
 Robert Ramirez, Controller/Treasurer

Others: Joe Mastro, Cuttone & Mastro, Auditor
 Dan Cheney, Realtor
 Keith Clem - Staff

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for May 2017 to order at 11:52 A.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted that there would be no Closed Session.

Director Brown motioned to add both of these items to the Board Agenda for consideration. Director Miller seconded the motion. The Board voted unanimously in favor of the motion and second to accept the Agenda.

3. Public Comment.

Mr. Dan Cheney appeared before the Board to request their consideration for adjusting the outstanding Standby delinquency on a parcel on the District that has liens by the United States, the State, the Fresno County and the District. Mr. Cheney explained a party was interested in purchasing the property and was looking to negotiate a reduced payment. The Board noted that the existing policy of the District does not allow for such a concession but would take it under consideration and contact Mr. Cheney if there was a determination to change the Policy in this instance.

No other public comment was made.

No action was taken by the Board.

4. Approval of April 2017 Minutes.

Director Collin, III motioned and Director Orlopp seconded the motion to adopt the minutes of the April meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft April 2017 minutes as written.

5. Ratification of Bills.

Controller Ramirez went over the Warrants to be approved by the Board.

At the April Board meeting Director Collin, III asked if the Fishwater Hydropower Plant were covered for liability in the event of water supply disruption to the CDFW SJR Hatchery. Manager Morrissey noted that the Districts liability carrier was contacted and it was conveyed to the District by Mr. Lloyd Turner that indeed the District was covered for liability for water supply disruption in the event of an Act of God or if a third party proved negligence by the District.

By motion of Director Miller and second of Director Collin, III, the Board voted unanimously in favor of ratifying the bills paid.

The Board voted unanimously in favor of ratifying the payments presented.

6. 2016 Financial Audit

Mr. Joe Mastro, of Cuttone and Mastro presented and summarized his audit of the District's 2015 and 2016 financial statement. Mr. Mastro noted his finding resulted in a clean opinion that the District's financial statements were prepared in accordance with accepted accounting principals and that he found no issues of fraud or misrepresentation.

Director Miller motioned to accept the audit report prepared by Mr. Mastro. Director Orlopp seconded the motion and **the Board voted unanimously in favor of accepting the audit report prepared by Mr. Mastro for the District's 2015/16 financial statements.**

7. Monthly Report

Controller Ramirez covered Items A through H of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage by customer (nothing of concern in this topic), total water deliveries for the 2017/18 Contract Year (Class 1 Contract Supplies have yet to be used as the District is using RWA (Recovered Water Account)) supplies, and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

Morrissey and Clem discussed recent O&M activities related to hydropower plants and system delivery infrastructure.

No action was taken by the Board.

8. Water Management

Morrissey discussed the very promising water supply picture and the fact that at this time and for as long as Reclamation makes that color of water available, RWA water would be diverted into the District. The Bureau is anticipating this will continue sometime into the middle of July. Manager Morrissey expects that is a bit conservative and that uncontrolled season should continue into August.

No action was taken by the Board.

9. Electrical Power

Manager Morrissey noted that the QLPP was up and running and generating revenue, the Fishwater power plant was up and running and the KRSH would not be producing power for the remainder of the irrigation season, until such time that the flows passing were low enough to create sufficient head. Flow conditions for that are unlikely until September or October, but once that happens the FKC should be running at a rate that provides for KRSH operation.

No action was taken by the Board

10. Investment Policy

Manager Morrissey provided a revised investment Policy for the Boards review. No substantive changes were offered in the Draft or suggested by the Board.

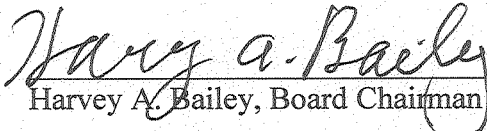
Director Collin, III motioned and Director Miller seconded the motion to accept the draft policy as written. **The Board voted unanimously in favor of the motion and the second accepting the 2017 Draft Investment Policy.**

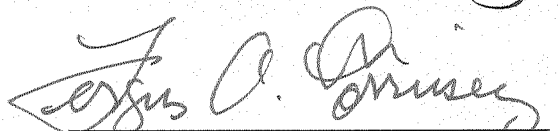
11. Closed Session - Tabled

12. Return to Open Session – Moot

13. Adjourn

At 2:23 P.M. the Board adjourned the May meeting and set the June meeting date for June 14, at 11:30 A.M. at the District Office in Orange Cove.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday June 14, 2017. Chairman Bailey called the meeting to order at 12:15 P.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director
Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert Ramirez, Controller/Treasurer

Others: None

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for June 2017 to order at 12:15 P.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted that Closed Session discussion would be limited to Personnel Evaluations.

3. Public Comment.

None.

4. Approval of May 2017 Minutes.

Director Brown motioned and Director Miller seconded the motion to adopt the minutes of the May meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft May 2017 minutes as written.

5. Ratification of Bills.

Controller Ramirez went over the Warrants to be approved by the Board.

There were no questions on any of the bills considered for ratification.

By motion of Director Miller and second of Director Brown the Board voted unanimously in favor of ratifying the bills under consideration to be paid.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report

Controller Ramirez covered Items A through H of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage by customer (nothing of concern in this topic), total water deliveries for the 2017/18 Contract Year (Class 1 Contract Supplies have yet to be used as the District is using RWA (Recovered Water Account)) supplies, and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

It was noted that the May usage of approximately 4,500 acre-feet exceeds the recent historical May usage by close to 100%. Usage to date gives hope to the Board that the pricing structure and other encouragement to landowners to use available surface water supplies may be effective.

Year to date District conglomerated water meter readings compared to canal side readings are within 1.40% of one another. This performance is a testament to the accuracy of the measurement of water supply within the District and meter performance is much better than the performance claims of the Water Specialties meters, which suggest between a 98 and 95% level of accuracy (compared to 98.6%).

As far as hydropower revenues, it was noted that the direct sale of power to the QLPP construction contractor should be included in the statement of FWR revenues. Direct sale in the amount of \$13,444.97, which is an effective rate of payment of \$110/MW-hr was made to Syblon Reid Inc.

Morrissey discussed recent O&M activities related to hydropower plants and system delivery infrastructure.

No action was taken by the Board.

7. Water Management

Morrissey discussed the promising water supply picture and the fact that at this time and for as long as Reclamation makes that color of water available, RWA water would be diverted into the District. Morrissey also discussed the transfer in of URF water from DEID which is only being made available to Class 2 Contractors this year.

No action was taken by the Board.

8. Electrical Power

Manager Morrissey noted that the QLPP was up and running and generating revenue, the Fishwater power plant was up and running and the KRSH would not be producing power for the remainder of the irrigation season, until such time that the flows passing were low enough to create sufficient head. Flow conditions for that are unlikely until September or October, but once that happens the FKC should be running at a rate that provides for KRSH operation.

Morrissey discussed with the Board recent conversations with Scott Blaising regarding potential use of Hydro Power in-District. That prospect remains promising. Morrissey determined that the cost of replacing PG&E's transformers with District owned equipment had a very positive benefit to cost ratio and doing so would alleviate the District from paying non-energy charges to PG&E which are quite costly.

No action was taken by the Board

9. Closed Session

Manager Morrissey discussed performance of District Staff (aside from himself) with the Directors in Closed Session.

10. Return to Open Session

Director Collin, III motioned and Director Miller seconded the motion to accept the recommended pay increases to District Staff. *The Board voted unanimously in favor of the motion and the second.*

11. Cal Water Fix

Morrissey discussed a 50,000-foot view of the CalWaterFix as well as opportunities associated with a revised operational concept for Temperance Flats. Adequate levels of information are not available to make an informed decision on financing either project at this time, however necessary decisions will be at hand in the very near future.

No action was taken by the Board

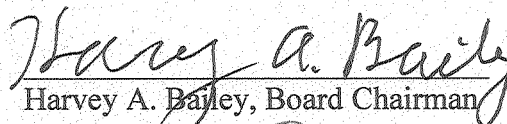
12. Friant Water Authority

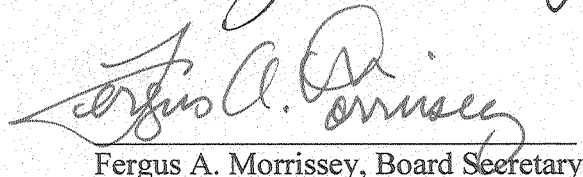
Morrissey discussed various activities of the Friant Water Authority.

No action was taken by the Board.

13. Adjourn

At 3:44 P.M. the Board adjourned the June meeting and set the July meeting date for July 12, at 11:30 A.M. at the District Office in Orange Cove.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday July 12, 2017. Chairman Bailey called the meeting to order at 11:50 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director
Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary

Others: Mark Hendrixson – Landowner
Rick Williams – Landowner
Keith Harrison – Landowner
Natalie Gonzalez – Landowner
Jose Jimenez – Landowner Representative of DLM Farming

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for July 2017 to order at 11:50 A.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

Members of the public were present to voice various concerns regarding the non-ordering penalty assessment for failure to order at least half of the water that was delivered to their properties in June. Concerns ranged from claims that fluctuating system pressures make it difficult to control the amount of water delivered, to claims of lack of notification of the ordering requirement as well as claims that orders were placed but not written down by District Staff.

4. Approval of June 2017 Minutes.

Director Collin, III motioned and Director Miller seconded the motion to approve the minutes of the June meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft June 2017 minutes as written.

5. Ratification of Bills.

Morrissey went over the Warrants to be approved by the Board. There were no questions on any of the bills considered for ratification.

By motion of Director Miller and second of Director Brown the Board voted unanimously in favor of ratifying the bills under consideration to be paid.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report

Morrissey covered Items A through H of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for the 2017/18 Contract Year (Class 1 Contract Summary).

to include in the letter the advisement that when possible orders be provided in writing so that documentation of the order exists. It is the Board's position that the burden of proof for ordering lies with the landowner and documentation in the form of an emailed or faxed or written order submitted to the District, establishes such proof.

As far as hydropower revenues, it was noted that, with the exception of the KRSH which is not running due to insufficient potential energy difference across its turbines, all of the District's power plant facilities (including those co-owned by other members of FPA) are operating at or near capacity.

Morrissey discussed recent O&M activities related to hydropower plants and system delivery infrastructure.

No action was taken by the Board aside from the administrative decision to rescind non-ordering penalties for June and July.

7. Certificates of Sale

A discussion was held regarding pursuit of liens on parcels with delinquent balances. The Board considered Resolution 2017-09 to record liens with both Fresno and Tulare Counties, for those parcels with delinquent balances, provided in a table in the Board Packet.

By motion of Director Collin, III, second by Director Miller and a unanimous vote in favor of said motion, the Board passed Resolution 2017-09.

8. Water Management

Morrissey generally discussed the water supply picture and noted that uncontrolled season remains in operational effect.

No action was taken by the Board.

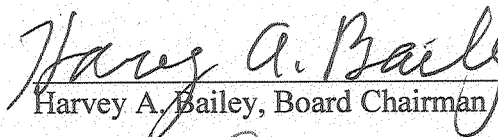
9. Electrical Power

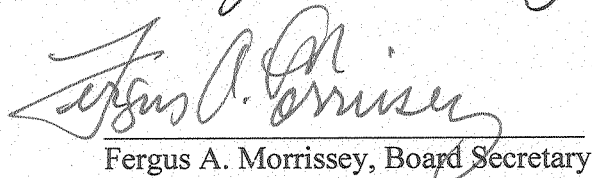
Power projects were generally discussed. Nothing of significance was reported.

No action was taken by the Board

10. Adjourn

At 3:48 P.M. the Board adjourned the July meeting and set the August meeting date for August 9, at 11:30 A.M. at the District Office in Orange Cove.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday August 9, 2017. Vice-Chair Bailey Collin, III the meeting to order at 11:45A.M., with the following Directors and Officers present:

Directors: H.A. "Gus" Collin, III, Vice-Chairman
 David Brown, Director
 Arlen Miller, Director
 Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
 Robert T. Ramirez, Controller/Treasurer

Others: Jason Phillips, FWA CEO
 Mark Hendrixson – Landowner
 Keith Clem, OCID

1. Call to order.

Vice-Chair Collin, III called the regular Board of Directors meeting for August 2017 to order at 11:45A.M., with a quorum of Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

No Public comment was offered.

4. Recess for Board of Equalization.

At noon the Board recessed from it's meeting and opened the publically noticed Board of Equalization hearing. The Board reviewed the Assessment book. No landowners were present to comment on the Assessment Book. Total assessed parcel acreage in the District is 27,949.66 acres with 13,657.44 in Fresno County and 14,292.22 in Tulare County.

By motion of Director Brown and second by Director Miller, the Board voted unanimously to accept the Assessment Book's information as accurately and fairly representing current land ownership in the District.

5. Return to the Regular Board Meeting

The Board returned to the regular Board meeting at 12:10.

6. Approval of July 2017 Minutes.

Director Brown motioned and Director Orlopp seconded the motion to approve the minutes of the July meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft July 2017 minutes as written.

7. Ratification of Bills

Controller Ramirez recapitulated the Warrants for the period from July 7 to August 9 2017, to be ratified by the Board. There were no questions on any of the bills considered for ratification.

By motion of Director Miller and second of Director Brown the Board voted unanimously in favor of ratifying the bills under consideration to be paid.

The Board voted unanimously in favor of ratifying the payments presented.

8. Monthly Report

FWA CEO Phillips provided a thorough and comprehensive brief to the Board on various activities being conducted on the Districts behalf under the General Membership activities of the FWA. The Board greatly appreciated the opportunity to hear directly from Mr. Phillips and enjoyed the opportunity to ask questions regarding various activities that he is engaged in.

The Board discussed the non-creditable nature of 90% of the water supply quantity reserved by landowners, per the current District Rules and Regulations. It has come to the attention, that some landowners are not aware of this aspect of the Rules and they should therefore be reminded to avoid the assertion that they were not so informed. As such, the

Board suggested that Manager Morrissey prepare a letter for delivery to every landowner, focusing on this aspect, now that the Contract Year is approximately 50% complete and there is plenty of opportunity to take delivery of their reserved supply.

Controller Ramirez covered Items A through H of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for July in this 2017/18 Contract Year of 6,892 acre feet (160% of last July's usage) and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

It was noted that water usage to date continues to give hope to the Board that the pricing structure and other surface water usage encouragement to landowners is having the desired outcome – utilization of the Districts Contract supply. Compared to the through July water use last year, this year is 168% of it.

As far as hydropower revenues, it was noted that, with the exception of the KRSH, which is not running due to insufficient potential energy difference across its turbines, all of the District's power plant facilities (including those co-owned by other members of FPA) are operating at or near capacity. Proceeds from revenue distribution by FPA for the month of July will undoubtedly establish a record high, as a result of operation of the QLPP, high reservoir levels and the PPA for sale of the electrons moved.

9. Closed Session

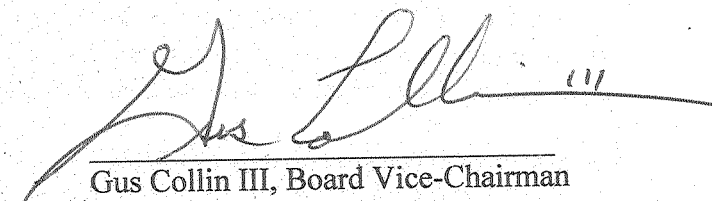
The Board went into Closed Session to discuss personnel issues.

10. Return to Open Session

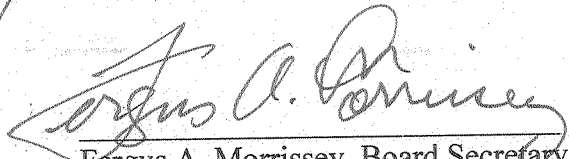
The Board returned to open session with no reportable action.

11. Adjourn

The Board adjourned the meeting at 3:33 and set the next meeting for Wednesday September 20, 2017 at 11:30 at the District Office in Orange Cove, the third Wednesday of the month.



Gus Collin III, Board Vice-Chairman



Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday September 20, 2017. Chairman Bailey called the meeting to order at 11:56 A.M., with the following Directors and Officers present:

Directors Present: Harvey Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director

Directors Absent: Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert T. Ramirez, Controller/Treasurer

Others: Keith Clem, OCID

1. Call to order.

Chair Bailey called the regular Board of Directors meeting for September 2017 to order at 11:56 A.M., with a quorum of Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

No Public comment was offered.

4. Approval of August 2017 Minutes.

Director Brown motioned and Director Miller seconded the motion to approve the minutes of the August meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft August 2017 minutes as written.

5. Ratification of Bills

Controller Ramirez recapitulated the Warrants for the period from August 10 to September 15, 2017 to be ratified by the Board. There was general clarifying discussion on various warrants considered for ratification.

By motion of Director Miller and second of Director Brown the Board voted unanimously in favor of ratifying the bills under consideration.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report

Controller Ramirez covered Items A through H of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for August in this 2017/18 Contract Year of 7,211 acre feet (140% of last August's usage) and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

As far as hydropower revenues, it was noted that, with the exception of the KRSB, which has not been (until the last week) running due to insufficient potential energy difference across its turbines, all of the District's power plant facilities (including those co-owned by other members of FPA) are operating at high levels of production.

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Thursday October 12, 2017. Chairman Bailey called the meeting to order at 12:01 P.M., with the following Directors and Officers present:

Directors Present: Harvey Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director
Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary

Others: Trinidad Macias, District Landowner
Mark Hendrixson, District Landowner

1. Call to order.

Chair Bailey called the regular Board of Directors meeting for October 2017 to order at 12:01 P.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

Mr. Trinidad Macias requested the Board forgive charges incurred and payable by him as a result of his failure to place water orders within a required precision of not more than 200% of usage. Mr. Macias noted that his failure to place orders resulted from him being very busy. The Board noted to Mr. Macias that they had in previous months forgiven all landowners of charges related to non-ordering and notified all landowners by letter that beginning in September there would be no further concession in this regard. The Board informed Mr. Macias that they would not forgive associated charges incurred by him for failure to order as required in the Rules and Regulations and communicated repeatedly thereafter in landowner correspondence.

4. Approval of September 2017 Minutes.

Director Collin-III motioned and Director Brown seconded the motion to approve the minutes of the September meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft September 2017 minutes as written.

5. Ratification of Bills.

Manager Morrissey recapitulated the Warrants for the period from September 22, 2017 to October 2, 2017 be ratified by the Board. There was general clarifying discussion on various warrants considered for ratification.

By motion of Director Miller and second of Director Brown the Board voted unanimously in favor of ratifying the bills under consideration.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report.

Manager Morrissey covered Items A through I of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for September in this 2017/18 Contract Year of 5,671 acre feet (120% of last September's usage) and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

Manager Morrissey went over the O&M monthly report with the Board.

No action was taken by the Board on this topic.

7. Electrical Power.

Manager Morrissey noted that KRSH had run for much of September and that the expected revenue should be on the order of \$13,000 and that the FWR power plant has been running at close to capacity for the entire month and therefore would provide revenues likely greater than \$20,000 for September.

8. It was noted that FPA assets are continuing to run at high levels of output and so September revenues would also be relatively strong.

Manager Morrissey noted that relative to contractor payments associated with QLPP construction, negotiations on various financial disputes are expected to begin in earnest in November (next month).

No action was taken by the Board.

9. Temperance Flat Analysis

Manager Morrissey discussed with the Board recent and necessary work required for a thorough evaluation of the Temperance Flat Storage Project (Project) as a potential water supply investment available to the District's landowners to improve water supply.

After discussion of the general costs and potential benefits of the Project, the Board considered Resolution 2017-10, adoption of which commits District funds toward further analyses through an executable Memorandum of Understanding (MOU) with other agencies interested in participating in the Project and with the Friant Water Authority as an organizing entity, chiefly responsible to protect the contractual entitlement of Friant Division members; those participating and not participating in the Project.

Resolution 2017-10 would authorize the District to be a party to the MOU, subject to final review and approval as to form by the District's legal counsel. The Resolution would authorize the Board Chair or the Engineer-Manager, or their designee to sign the MOU on the District's behalf and take such other actions as may be necessary to become a party to the MOU, including payment of the initial \$25,000 contribution towards the work to be performed under the MOU, under the level of participation expected by the District.

The following roll call vote was taken:

Vice-Chairman Collin III -	Aye
Director Miller -	Aye
Director Brown -	Aye
Director Orlopp -	Aye
Chairman Bailey -	Aye

Resolution 2017-10 was unanimously passed by the Board of Directors on this day of the 12th of October, 2017.

10. Capital Budget.

Manager Morrissey presented a Capital Budget for the 2018 fiscal year for consideration by the Board. After discussion of the planned purchases and projects envisioned for next year and the ensuing four years, Director Miller Motioned and Director Orlopp seconded the motion to accept the capital budget as recommended. The Board voted unanimously in favor of the capital budget outlined in the October meeting packet.

11. Closed Session

The Board went into Executive session to discuss personnel matters.

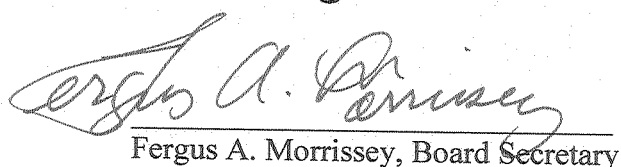
12. Return to Open Session

The Board returned to Open Session and reported that Manager Morrissey be given a merit increase of 7.5% beginning November 1, 2017.

13. Adjourn

The Board adjourned the meeting at 4:31 P.M. and set the next meeting for Wednesday November 8, 2017 at 11:30 at the District Office in Orange Cove, the second Wednesday of the month.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday November 8, 2017. Chairman Bailey called the meeting to order at 12:24 P.M., with the following Directors and Officers present:

Directors Present: Harvey Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director
Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert Ramirez, Controller/Treasurer

Others: Andy Hensel, Irrigation Scheduler
Mark Hendrixson, District Landowner

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for November 2017 to order at 12:24 P.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

No public comment was offered.

4. Approval of October 2017 Minutes.

Director Collin-III motioned and Director Orlopp seconded the motion to approve the minutes of the October meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft October 2017 minutes as written.

5. Irrigation Management

Mr. Andy Hensel, an irrigation scheduler, provided the Board with information related to crop evapotranspiration available from CIMIS. Discussed were the three categories of information available from the network of CIMIS stations; historical, current and forecasted based on National Weather Service forecasts.

No action was taken by the Board on this topic.

6. Ratification of Bills.

Controller Ramirez recapitulated the Warrants for the period from October 3, 2017 to October 30, 2017 be ratified by the Board. There was general clarifying discussion on various warrants considered for ratification.

The Directors asked why the Bureau of Reclamation requires payment for water delivery in advance verses arrears. The current method (payment in advance based on projected use) seems to be an inefficient method established without logical justification. It was asked if it would be possible for a policy change where payments would be made in arrears (after the fact when the Bureau meters have been read). Manager Morrissey noted this has been discussed previously, although the rationale behind the policy wasn't clear to him. As such, Manager Morrissey will inquire and see if it is possible to change the way this is done.

By motion of Director Brown and second of Director Miller the Board voted unanimously in favor of ratifying the bills under consideration.

The Board voted unanimously in favor of ratifying the payments presented.

7. Monthly Report.

Controller Ramirez covered Items A through I of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for October in this 2017/18 Contract Year of 3,546 acre feet (114% of last October's usage) and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

Manager Morrissey went over the O&M monthly report with the Board.

No action was taken by the Board on this topic.

8. Electrical Power.

Manager Morrissey noted that KRSH and FWR both ran for all of October and the expected revenue should be close to \$20k per facility for the month.

Manager Morrissey briefed the Board on the status of range of the District's residual financial obligations associated with construction of QLPP. FPA has hired an independent time series analyst to evaluate the situation. That analysis is expected in the next 30 days, and it is hoped and anticipated that resolution to payment disputes is resolved through negotiation rather than litigation.

Manager Morrissey discussed the status of consultant M³, relative to their evaluation of opportunities for the District to optimize the value of its hydropower assets, post PG&E PPA (September 2020).

No action was taken by the Board on this topic.

9. Water Management.

Manager Morrissey discussed the water supply situation and scenarios, exceedance forecasts and potential transfers and or exchanges. It was noted at this time, the projected carryover availability is on the order of 6,500 acre feet but could be less if there is a significant frost event this coming winter. Based on the lack of precipitation in October and the outlook for November, the assessment at this time is that it would be prudent to maintain this supply for potential rescheduling.

No action was taken by the Board on this topic.

10. Water Bond

The Board considered support of the 2018 water bond crafted by Jerry Merrill by considering Resolution 2017-11. The following roll call vote was taken with regard to the question of support of this bond:

Ayes: Directors Collin, III, Miller, Brown, Orlopp, Bailey
 Noes: None
 Abstain None

The Board voted unanimously in favor of supporting the 2018 water bond, which notable would provide the FWA with \$750 million for conveyance / capacity improvements.

11. 2018 Fiscal Year Budget

The Board considered and by motion of Director Miller and second by Director Collin, III *the Board unanimously approved the 2018 fiscal year budget presented by Controller Ramirez.*

12. 2018 Draft Rules and Regulations

Manager Morrissey discussed with the Board Draft Rules and Regulations for next year.

No action was taken by the Board on this topic.

13. 2018/2019 Water Rates

Manager Morrissey discussed options for water rates for next Contract Year.

No action was taken by the Board on this topic.

14. CVP Cost Allocation Study.

Manager Morrissey briefly discussed preliminary findings of the ongoing CVP cost allocation study. The last true-up on distributing costs among the various project purposes took place in 1974. More to come on this topic as results are in a preliminary state.

No action was taken by the Board on this topic.

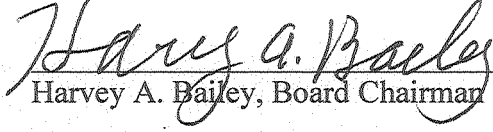
15. Employee Handbook.

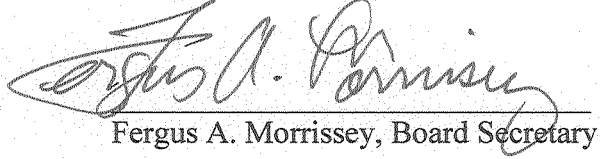
This item was tabled for the next Board meeting.

No action was taken by the Board on this topic.

16. Adjourn

The Board adjourned the meeting at 5:10 P.M. and set the next meeting for Wednesday December 13, 2017 at 11:30 at the District Office in Orange Cove, the second Wednesday of the month.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday December 13, 2017. Chairman Bailey called the meeting to order at 12:03 P.M., with the following Directors and Officers present:

Directors Present: Harvey Bailey, Chairman
H.A. "Gus" Collin, III, Vice-Chairman
David Brown, Director
Arlen Miller, Director
Bryan Orlopp, Director

Officers: Fergus A. Morrissey, Engineer-Manager/Secretary
Robert Ramirez, Controller/Treasurer

1. Call to order.

Chairman Bailey called the regular Board of Directors meeting for December 2017 to order at 12:03 P.M., with all Directors present for the entirety of the meeting.

2. Approval of the Agenda.

Manager Morrissey noted no changes to the Agenda as posted.

3. Public Comment.

No public comment was offered.

4. Approval of November 2017 Minutes.

Director Miller noted typo in item #14. Costa was changed to Cost.

Director Miller motioned and Director Orlopp seconded the motion to approve the minutes of the November meeting as mailed. The Board voted unanimously in favor of the motion to accept the draft November 2017 minutes with the noted correction.

5. Controller Ramirez recapitulated the Warrants for the period from November 8, 2017 to December 10, 2017 be ratified by the Board. There was general clarifying discussion on various warrants considered for ratification.

By motion of Director Brown and second of Director Miller the Board voted unanimously in favor of ratifying the bills under consideration.

The Board voted unanimously in favor of ratifying the payments presented.

6. Monthly Report.

Controller Ramirez covered Items A through I of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship and no response) and late payments. Other items discussed were excess water usage (relative to the quantity that they have purchased) by customer (nothing of concern in this topic), total water deliveries for November in this 2017/18 Contract Year of 1,278 acre feet (940% of last November's usage and cumulative use equal to 150% of last year's thru November usage) and various financial categories including power plant revenues, LAIF balance, performance and return and CD's.

Manager Morrissey went over the O&M monthly report with the Board.

No action was taken by the Board on this topic.

7. Electrical Power.

Manager Morrissey discussed various repairs and activities conducted by staff at the hydropower facilities. It was noted that that KRSH ran intermittently due to low flows and maintenance issues, the latter of which Mr. Clem is in the process of addressing.

Repair of the bypass valve leak at FWR and the new bypass installed by BOR was discussed. This has been an issue for many years and heretofore could not be addressed due to the inability to shut down all flows to the FWR plant. The new bypass system installed by BOR to allow for increased flows to the hatchery, affords the District with the ability to completely take the FWR off-line (power and flow).

No action was taken by the Board on this topic.

8. Water Management.

Manager Morrissey discussed the water supply situation and scenarios. It was noted at this time; the projected carry over residual available to the District is on the order of 5,000 acre feet. It was noted that SCE operations are going to be driving Millerton storage to a level such that even relatively minor inflow (from precipitation events) between now and end of February will put Millerton inside the storage conservation space. This will limit the ability to carry over supply in Millerton for next contract year.

In light of this, there is a need to keep a close eye on the weather in order to achieve beneficial use with whatever supply remains available to the District, rather than letting it flow to the Ocean.

No action was taken by the Board on this topic.

9. 2018 Draft Rules and Regulations

Manager Morrissey briefly discussed with the Board Draft Rules and Regulations for next year.

No action was taken by the Board on this topic.

10. 2018/2019 Water Rates

Manager Morrissey discussed options for levying PG&E electric utility charges (\$/af) to water users based on Delivery System actuals, or District-wide averages.

Analysis conducted this year to date by staff reveals that the electrical rate per-acre-foot-delivered cost by Delivery System ranges from a low of \$13 per acre foot to a high of \$59 per acre foot.

A primary reason explaining most of this difference is attributable to the variance of average "work" required to overcome gravity or elevation head by Delivery System in order to effectuate landowner water delivery. The \$59 per acre foot cost is an outlier that stems from the cost of operating a local booster pump that provides not only flow but significant pressure to a very limited acreage, a benefit unique to deliveries made via that booster pump. The landowners on this system are, provided with pressure generated by the District's system infrastructure to irrigate without the need for, or greatly reduced need for, boosting the pressure downstream of the District's flow meter (downstream of the District's infrastructure). In general, the District's delivery system is not designed and is not intended to provide excess pressure above that needed to convey water to the meter at a rate of 5 gallons per minute per acre.

There was a discussion on the basic two options for levying charges based on the scale of averaging applied; whether the averaging perspective should consider the entire District's PG&E electrical charges and the entirety of District water deliveries, or should the averaging perspective be applied at the District Delivery System level where that Delivery System's PG&E electrical charges per that System's delivered quantity of water determines the rate for the users on that System.

In the latter case, charges to landowners would be differentiated by Delivery System, i.e. the cost of actually delivering water throughout that particular system would fall in the aforementioned range, versus the cost to deliver water system wide in which case the pumped system cost (this year) would be \$26 per acre foot, or if gravity deliveries were included in the calculus the average cost applied to all landowner deliveries would be approximately \$15 per acre foot.

Director Miller motioned that the perspective of averaging should be applied on the District Delivery System Basis. Director Brown seconded that motion.

Following discussion on the motion and the second, the following roll call vote occurred:

Director Miller – Aye
Director Brown – Aye
Director Orlopp – No
Director Collin, III – Abstain
Director Bailey, – Aye

By majority vote of the Board, landowner electrical charge rates associated with the delivery of water to their lands this Contract Year and in Contract Years going forward shall be based on the actual cost experienced on a District Delivery System averaging basis.

2018/2019 Contract Year water rates were not set by the Board at this time.

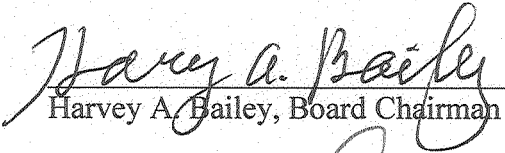
11. Employee Handbook.

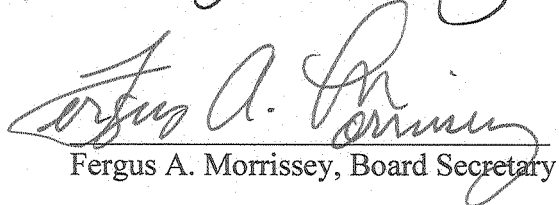
This item was tabled for the next Board meeting.

No action was taken by the Board on this topic.

12. Adjourn

The Board adjourned the meeting at 3:30 P.M. and set the next meeting for Wednesday January 10, 2018 at 11:30 at the District Office in Orange Cove, the second Wednesday of the month.


Harvey A. Bailey, Board Chairman


Fergus A. Morrissey, Board Secretary