

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday January 9, 2019. Chairman Bailey called the meeting to order at 12:11 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  
 Russell Katayama, 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 January 2019 to order at 12:11 P.M., with a quorum of Directors present for the entirety of the meeting.

**2. Approval of the Agenda**

A change to the Agenda was noted. Item 13 – Real Property Negotiations was added to the Agenda and posted more than 48 hours in advance of the meeting. Director Brown motioned, and Director Miller seconded the motion, to add Closed Session Item 13 to the Agenda. *The Board voted unanimously in favor of accepting the revised agenda.*

**3. Public Comment**

No public was present at the meeting.

**4. Approval of Draft December 2018 Board Meeting Minutes.**

Director Katayama motioned, and Director Miller seconded to the motion to accept the draft minutes for December 2018 emailed to the Directors, as final. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from December 7, 2018 to January 3, 2019 to be ratified by the Board. *Director Katayama motioned to ratify the bills and Director Brown seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**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 total water deliveries for December of 96-acre feet with a March – December total diversion of 34,435 which is 2,098-acre feet behind the usage for the same period last year. At this time, residual available supply is approximately 5,555-acre feet, considering the exchange to TMR is effectively carryover for next year's supply (behind Pine Flat Dam).

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Manager Morrissey reviewed the Monthly O&M Report with the Board. The Board commented that the O&M report was very well done and provided a very good overview of the activities of the District's O&M Staff.

*No action was taken by the Board on this topic.*

**7. Water Management**

Manager Morrissey discussed the water supply situation and scenarios. It was noted that the declaration for the 2018 Contract Year remains at 88% Class 1 and at this time for the 2019 Contract Year, the 90% CNRFC upper SJR forecast stands at a runoff that would yield approximately 50% Class 1 to the Friant Division, while the 50% forecast would yield about 10% Class 2.

*No action was taken by the Board on this topic.*

**8. Hydropower Facilities**

Manager Morrissey reported that FWR continues to run at its maximum potential, while flows are insufficient to operate KRSH. To date, it was noted that revenue from the combined plant output has been approximately \$300,000. *No action was taken by the Board on this topic.*

**9. Draft Rules and Regulations**

Manager Morrissey discussed a revised draft of the Rules and Regulations which need to be completed by this month. The Board reconsidered the revised version that was included in the Board Packet for the January 2019 Board meeting. *By motion of Director Brown and second by Director Miller, the Board voted unanimously in favor of approving the revised 2019 R&R's provided in the packet for January.*

**10. FWA General Member Issues**

Manager Morrissey noted various activities and considerations in from of the FWA membership. *No action was taken by the Board on this topic.*

**11. Resolution 2019-01**

The Board considered Resolution 2019-01 to enter into a 5-year Warren Act Agreement with the United States, to take delivery of Non-Project water that may or may not become available and may or may not be needed by Orange Cove Irrigation District should it become available. Following a motion by Director Collin, III and a second by Director Brown, the following roll call vote was made:

*Director Bailey - Aye  
Director Collin, III - Aye  
Director Brown - Aye  
Director Katayama - Aye  
Director Miller - Aye*

*Thereby unanimously approving Resolution 2019-01.*

**12. Stand-By Charges**

The Board spent considerable time discussing this alternative, which has been crafted with input from General Counsel Kuney. The Board decided to extend to all landowners with a total of 5.0 acres or less, the decision of voluntarily "opting-out" from access to District water supplies and relinquishing of their right to vote on items that come before the Stand-by paying landowners of the District while they have opted-out, in exchange for their specific relief from paying stand-by charges assessed by the District. It was noted that the offer is reversible at the request of the landowner and that the option to opt-out be a formal notarized document provided to those landowners by the District and recorded within the County in which the property is located.

*By motion of Director Collin III, and second by Director Miller, the Board voted unanimously in favor of allowing landowners holding less than 5.0 acres the opportunity to avoid payment of Stand-by under the noted concessions (loss of voting and water right).*

**13. Closed Session – Real Property Negotiations**

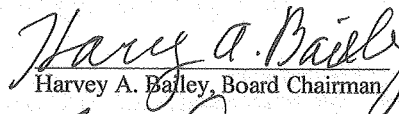
The Board went into closed session to discuss real property negotiations regarding the District's Mill Creek water right.

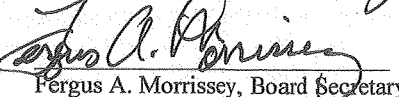
**14. Open Session**

The Board returned to open session with no reportable action taken in Closed Session.

**15. Adjourn**

The Board adjourned the meeting at 3:35 P.M. and set the next meeting for Wednesday February 13, 2019 at 11:30 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 February 13, 2019. Chairman Bailey called the meeting to order at 11:38 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  
Russell Katayama, Director

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for February 2019 to order at 11:38 A.M., with a quorum of Directors present for the entirety of the meeting.

**2. Approval of the Agenda**

No alterations were suggested. Director Brown motioned, and Director Miller seconded the motion to approve the Agenda. *The Board voted unanimously in favor of accepting the agenda.*

**3. Public Comment**

No public was present at the meeting.

**4. Approval of Draft January 2019 Board Meeting Minutes.**

Director Brown motioned, and Director Katayama seconded to the motion to accept the draft minutes for January 2019 emailed to the Directors, as final. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from January 4, 2019 to February 9, 2019 to be ratified by the Board. *Director Brown motioned to ratify the bills and Director Katayama seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**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 total water deliveries for January of 151-acre feet with a March – January total diversion of 34,646 which is 2,180-acre feet behind the usage for the same period last year. This year to year difference is mostly attributable to the lack of need for frost water deliveries in December 2018 vs. December 2017. At this time, residual available supply is approximately 1,404-acre feet, considering the exchange to TMR is effectively carryover for next year's supply (behind Pine Flat Dam).

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Mr. Clem reviewed the Monthly O&M Report with the Board. The Board commented that the O&M report was very well done and provided a very good overview of the activities of the District's O&M Staff.

*No action was taken by the Board on this topic.*

**7. Water User Rebate**

The Board deferred any action on this item, tabling the decision to no sooner than the March 2019 Board meeting.

*No action was taken by the Board on this topic.*

**8. Water Management**

Manager Morrissey discussed the water supply situation and current snowpack conditions. As far as 2019 water supply, at this time under the 50% exceedence forecast there is about 50% Class 2. It was noted that 4,000 acre-feet of surplus supply was transferred to Tulare ID in an exchange arrangement. The prospect of rescheduling the residual supply, presently estimated at 1,200 acre feet, is an evolving decision to be evaluated. Morrissey noted that for the first time, the Bureau has made a blanket approval to allow pre-use of Class 2 supply, ahead of the new Contract Year, of 10% in order to alleviate storage pressure which will hit Millerton Lake sooner or later. The more water moved now, the later that pressure will be unavoidable and the less amount of water will be spilled into the SJR.

*No action was taken by the Board on this topic.*

**9. Hydropower Facilities**

Manager Morrissey reported that FWR continues to run at its maximum potential, and with flows ramping up in the FKC, KRSH is running all four units. *No action was taken by the Board on this topic.*

**10. Closed Session**

The Board went into Closed Session to discuss real property negotiations.

**11. Open Session**

The Board returned to Open Session with no reportable action.

**12. FWA General Member Issues**

The Board had significant discussion regarding the current Cost Recovery Methodology (CRM) and the impacts of distributing subsidence fix costs according thereto. There is consensus that this is a deep concern as it is not appropriate for this project, or for any extraordinary project that needs to be undertaken on the FKC, to be paid for in accordance with the current CRM.

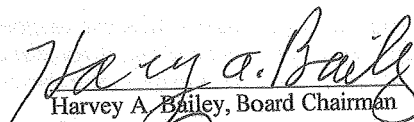
Manager Morrissey noted that he provided the Friant Managers group with an analysis of the beneficiary / cost imbalance and a hypothetical solution where all beneficiaries pay equally, on a per acre foot basis, for water they have the ability to receive by virtue of the fix.... on a Contractor Contract basis. The degree of imbalance and the magnitude of the costs associated with the fix under the current CRM, render its utilization for this purpose, in the opinion of Manager Morrissey, to be contrary to Reclamation Law. Manager Morrissey has asked FWA for legal vetting of the imbalance and beneficiary pay principal issue by FWA's Reclamation Law expert Bedeck. Manager Morrissey noted to FWA and the Board, that the FWA position on the DMC-Aqueduct intertie taken in 2012 with which Reclamation agreed, is contrary to what seems to be their current position that beneficiary pay not be part of the basis for cost distribution.

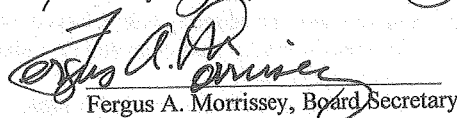
The Board requested that Manager Morrissey and Chairman Bailey work together on a letter to the Friant Board expressing their concern. The Board discussed having every Director of the District present at the next FWA Board meeting on February 28.

*No action was taken by the Board on this topic.*

**13. Adjourn**

The Board adjourned the meeting at 5:15 P.M. and set the next meeting for Wednesday March 13, 2019 at 11:30 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 March 13, 2019. Chairman Bailey called the meeting to order at 11:44 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  
Russell Katayama, Director

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for March 2019 to order at 11:44 A.M., with a quorum of Directors present for the entirety of the meeting.

**2. Approval of the Agenda**

No alterations were suggested. Director Brown motioned, and Director Miller seconded the motion to approve the Agenda. *The Board voted unanimously in favor of accepting the agenda.*

**3. Public Comment**

No public comments.

**4. Approval of Draft February 2019 Board Meeting Minutes.**

Director Collin, III motioned, and Director Brown seconded to the motion to accept the draft minutes for February 2019 emailed to the Directors, as final. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from February 14, 2019 to March 7, 2019 to be ratified by the Board. *Director Miller motioned to ratify the bills and Director Brown seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**6. Monthly Report**

Controller Ramirez covered Items A through K 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 total water deliveries for February of 94-acre feet with a March – February total diversion of 34,740. At this time, residual available supply is approximately 1,310-acre feet, considering the exchange to TMR is effectively carryover for next year's supply (behind Pine Flat Dam).

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Mr. Clem reviewed the Monthly O&M Report with the Board.  
*No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

To date, the District has received requests from 20 landowners. Director Miller motioned to have the District record the documented and notarized requests with the respective County of parcel location. Director Brown seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

**8. Water User Rebate**

The Board discussed the financial position of the District. Manager Morrissey forecasted the outlook for both short- and long-term operating and miscellaneous expenditures over

the next few years. Based on the current financial position, including solid revenue from all of the District hydropower assets, Director Collin, III motioned to provide a cash or credit rebate to water users, at a rate of \$47.50 per af for usage measured between March 1, 2018 and February 28 2019. Director Miller seconded the motion, and *the Board voted unanimously in favor of providing a credit of \$47.50 per af to 2018/29 Contract Year District supply.*

#### 9. Water Management

Manager Morrissey discussed the water supply situation and current snowpack conditions. As far as 2019 water supply, at this time under the 50% exceedence forecast there is about 75% Class 2. At this time, URF water is being allocated to Class 2, RWA is soon to be allocated to those with a positive impact balance relative to the SJRRP, and there is unlimited UcS Class 2 supply being made available. It is likely that 215 supplies will be made available in addition to the RWA supply in the near future. There was discussion at the recent Friant Managers meeting regarding dewatering, and it appears there will be a recommendation to the Executive Committee to defer dewatering this year due to the abundant water supply and likely very full Millerton Lake conditions. *No action was taken by the Board on this topic.*

#### 10. Hydropower Facilities

Manager Morrissey reported that FWR continues to run at its maximum potential, and with flows ramping up in the FKC, KRSH is running at different capacities depending on the day of the week. It is likely that KRSH will soon be not operational as FKC flows ramp up in response to flood releases. *No action was taken by the Board on this topic.*

#### 11. District Board Representation

The Board discussed the idea of rotating Board representation assignments (such as the Friant Power and Friant Water Authority) on a two-year cycle and agreed it was good in concept. At this time, Chairman Bailey indicated that he would like to continue for one additional year as the Friant Representative. Directors Miller and Brown just recently started their representation on the FPA and Kings River East GSA Boards. *No action was taken by the Board.*

#### 12. Closed Session

The Board went into Closed Session to discuss real property negotiations.

#### 13. Open Session

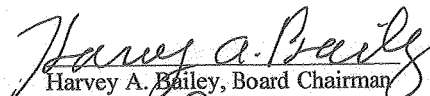
The Board returned to Open Session reporting pursuance of drafting an agreement with New Current Land & Water for the marketing of the District's Mill Creek Water Right, authorizing Manager Morrissey to execute said Agreement.

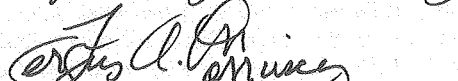
#### 14. FWA General Member Issues

Manager Morrissey briefed the Board relative to continued urging by FWA CEO that Extraordinary O&M be incorporated into the CRM Policy document, including subsidence fix efforts. The Board discussed this issue again and remains opposed to allocating costs for this project in the manner that regular O&M activities are funded. *No action was taken by the Board on this topic.*

#### 15. Adjourn

The Board adjourned the meeting at 4:27 P.M. and set the next meeting for Wednesday April 10, 2019 at 11:30 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 March 13, 2019. Chairman Bailey called the meeting to order at 11:44 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  
Russell Katayama, Director

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for March 2019 to order at 11:44 A.M., with a quorum of Directors present for the entirety of the meeting.

**2. Approval of the Agenda**

No alterations were suggested. Director Brown motioned, and Director Miller seconded the motion to approve the Agenda. *The Board voted unanimously in favor of accepting the agenda.*

**3. Public Comment**

No public comments.

**4. Approval of Draft February 2019 Board Meeting Minutes.**

Director Collin, III motioned, and Director Brown seconded to the motion to accept the draft minutes for February 2019 emailed to the Directors, as final. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from February 14, 2019 to March 7, 2019 to be ratified by the Board. *Director Miller motioned to ratify the bills and Director Brown seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**6. Monthly Report**

Controller Ramirez covered Items A through K 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 total water deliveries for February of 94-acre feet with a March – February total diversion of 34,740. At this time, residual available supply is approximately 1,310-acre feet, considering the exchange to TMR is effectively carryover for next year's supply (behind Pine Flat Dam).

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Mr. Clem reviewed the Monthly O&M Report with the Board.  
*No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

To date, the District has received requests from 20 landowners. Director Miller motioned to have the District record the documented and notarized requests with the respective County of parcel location. Director Brown seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

**8. Water User Rebate**

The Board discussed the financial position of the District. Manager Morrissey forecasted the outlook for both short- and long-term operating and miscellaneous expenditures over

the next few years. Based on the current financial position, including solid revenue from all of the District hydropower assets, Director Collin, III motioned to provide a cash or credit rebate to water users, at a rate of \$47.50 per af for usage measured between March 1, 2018 and February 28 2019. Director Miller seconded the motion, and *the Board voted unanimously in favor of providing a credit of \$47.50 per af to 2018/29 Contract Year District supply.*

#### 9. Water Management

Manager Morrissey discussed the water supply situation and current snowpack conditions. As far as 2019 water supply, at this time under the 50% exceedence forecast there is about 75% Class 2. At this time, URF water is being allocated to Class 2, RWA is soon to be allocated to those with a positive impact balance relative to the SJRRP, and there is unlimited UcS Class 2 supply being made available. It is likely that 215 supplies will be made available in addition to the RWA supply in the near future. There was discussion at the recent Friant Managers meeting regarding dewatering, and it appears there will be a recommendation to the Executive Committee to defer dewatering this year due to the abundant water supply and likely very full Millerton Lake conditions. *No action was taken by the Board on this topic.*

#### 10. Hydropower Facilities

Manager Morrissey reported that FWR continues to run at its maximum potential, and with flows ramping up in the FKC, KRSH is running at different capacities depending on the day of the week. It is likely that KRSH will soon be not operational as FKC flows ramp up in response to flood releases. *No action was taken by the Board on this topic.*

#### 11. District Board Representation

The Board discussed the idea of rotating Board representation assignments (such as the Friant Power and Friant Water Authority) on a two-year cycle and agreed it was good in concept. At this time, Chairman Bailey indicated that he would like to continue for one additional year as the Friant Representative. Directors Miller and Brown just recently started their representation on the FPA and Kings River East GSA Boards. *No action was taken by the Board.*

#### 12. Closed Session

The Board went into Closed Session to discuss real property negotiations.

#### 13. Open Session

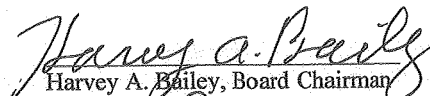
The Board returned to Open Session reporting pursuance of drafting an agreement with New Current Land & Water for the marketing of the District's Mill Creek Water Right, authorizing Manager Morrissey to execute said Agreement.

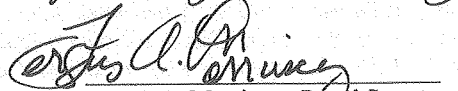
#### 14. FWA General Member Issues

Manager Morrissey briefed the Board relative to continued urging by FWA CEO that Extraordinary O&M be incorporated into the CRM Policy document, including subsidence fix efforts. The Board discussed this issue again and remains opposed to allocating costs for this project in the manner that regular O&M activities are funded. *No action was taken by the Board on this topic.*

#### 15. Adjourn

The Board adjourned the meeting at 4:27 P.M. and set the next meeting for Wednesday April 10, 2019 at 11:30 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 April 10, 2019. Chairman Bailey called the meeting to order at 11:41 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

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for April 2019 to order at 11:41 A.M., with a quorum of Directors present for the entirety of the meeting.

**2. Approval of the Agenda**

No alterations were suggested. Director Brown motioned, and Director Miller seconded the motion to approve the Agenda. *The Board voted unanimously in favor of accepting the agenda.*

**3. Public Comment**

No public comments.

**4. Approval of Draft March 2019 Board Meeting Minutes.**

Director Miller noted that clarification was needed on reporting Agenda Item 11. Manager Morrissey noted that he would take care of the language. Director Collin, III motioned, and Director Brown seconded the motion to accept the draft minutes with the noted clarification by Director Miller, for March 2019 emailed to the Directors, as final. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from March 14, 2019 to April 5, 2019 to be ratified by the Board, totaling \$503,354.16. Approximately 80 % of the total bills for the period are for conveyance (local and non-local) and payments for water. *Director Miller motioned to ratify the bills and Director Brown seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**6. Monthly Report**

Controller Ramirez covered Items A through K 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 total water deliveries for March of 122-acre feet.

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Mr. Clem reviewed the Monthly O&M Report with the Board. Brought up during the discussion was direction by the Board on policy related to the District covering the cost of air vent relocation, if requested by the landowner (i.e. reconfiguring planting). It was the Board's consensus that the District would reasonably cover the cost of any landowner that requests an air vent be relocated to an improved location (less likely to be damaged). *No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

Since the March Board meeting, the District has received requests from 8 landowners to opt-out of paying standby for this year and until such time that they desire to have District water supply. Director Miller motioned to have the District record the latest received notarized requests with the respective County of parcel location. Director Brown seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

**8. Water Management**

Manager Morrissey discussed the runoff projections and the outlook for supplies this year. This year's supply is running at approximately 160% of average and so there will be no shortage of supply this year. *No action was taken by the Board.*

**9. Hydropower Facilities**

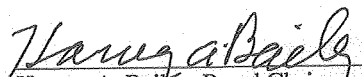
Manager Morrissey reported that FWR continues to run at its maximum potential, and in the FKC, KRSH is no longer running due to high flows and low head differential. *No action was taken by the Board on this topic.*

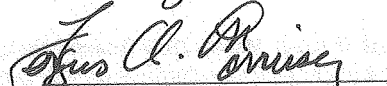
**10. FWA General Member Issues**

Manager Morrissey briefed the Board relative to continued urging by FWA CEO that Extraordinary O&M be incorporated into the CRM Policy document, including subsidence fix efforts. The Board discussed this issue again and remains opposed to allocating costs for this project in the manner that regular O&M activities are funded. *No action was taken by the Board on this topic.*

**11. Adjourn**

The Board adjourned the meeting at 2:52 P.M. and set the next meeting for Wednesday May 15, 2019 at 11:30 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 May 15, 2019. Chairman Bailey called the meeting to order at 11:41 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 (1:10 P.M. Arrival)  
Russell Katayama, Director

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for May 2019 to order at 11:45 A.M., with a quorum of Directors present. Director Miller arrived 1 hour 25 minutes after the start of the meeting.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

No public comments.

**4. Approval of Draft March 2019 Board Meeting Minutes.**

Director Katayama motioned, and Director Brown seconded the motion to approve the minutes for the April Board meeting. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from April 6 to May 10 to be ratified by the Board, totaling \$621,223.51. A significant portion of the bills were water usage rebate payments to District landowners preferring payment to customer credit. A significant portion of the remaining bills were associated with conveyance charges. *Director Brown motioned to ratify the bills and Director Katayama seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**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 total water deliveries for April of 2,093-acre feet which represents substantially more than the next closest delivery in the last 5 years where in 2018, 1,420 acre feet were delivered.

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Manager Morrissey noted the liquidation of one CD and conversion to an AA rated commercial paper investment with a net increase in return over the next two years of \$10,000. Legal expenses to date were also summarized, where it was noted that the Court of Claims case against the United States has had little to no activity this year thus far.

Mr. Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had.

*No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

Since the April Board meeting, the District has received requests from 2 landowners to opt-out of paying standby for this year and until such time that they desire to have District water supply. Director Collin, III motioned to have the District record the latest received notarized requests with the respective County of parcel location. Director Brown seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

## 8. Water Management

Manager Morrissey discussed the runoff projections and the outlook for supplies this year. This year's supply is running at approximately 160% of average and so there will be no shortage of supply this year. *No action was taken by the Board.*

## 9. Hydropower Facilities

Manager Morrissey reported that FWR continues to run at its maximum potential, and in the FKC, KRSH is no longer running due to high flows and low head differential. Projections for revenue stemming from the jointly owned Friant Power Authority facilities looks to be outstanding for this year. *No action was taken by the Board on this topic.*

## 10. FWA Issues

### 10.1.

#### Consideration of \$50 million local cost share for subsidence fix.

Manager Morrissey discussed the conversation stemming from the ad hoc committee discussion on local cost share amounts by Contractor for the subsidence fix with the full District Board. Manager Morrissey briefed the Board on commensurate action by the FWA Executive Committee earlier in the week. While the language of the motion going to the FWA Board of Directors has yet to be finalized, the District Directors fully supported the emerging (apparent) recommendation to the FWA Board by the Executive Committee. Morrissey noted that another ad hoc committee meeting was scheduled for Monday the 20 and as a result of lack of precise language from the Exec. Committee it was premature for the OC Board to take action. Notwithstanding taking formal action, there was consensus accepting what is presumed to be the recommended action to the FWA Board – a \$50 Million local cost share by indirect beneficiaries on the basis of long term cumulative avoided delivery-based O&M charges

### 10.2.

#### Comments on the FWA OM&R Cost Recovery Policy out for 60-day review.

Manager Morrissey discussed his thoughts on relevant and necessary comments and solicited input from the Directors on those comments as well as other comments they might have. The Board agreed with the comments offered by Manager Morrissey and while they offered no additional comments at the Board meeting, requested that comments be open to further deliberation in the residual time provided for by the 60-day review.

*The Comments suggested at this time include:*

1. Effectuating the Friant Water Authority's proposed OM&R Policy should not by default apply to FKC OM&R Project (including Capital and /or Extraordinary Projects) whose total budget requirement exceeds 50% of the local cost share annual budget amount for that year. For local projects with budget requirements of this magnitude, the method of cost recovery shall be brought to the FWA Board of Directors for consideration of a potential alternate cost recovery method(s).

Projects exceeding, whether known beforehand or not, the noted dollar scale that are emergency in nature (immediately damaging or threatening to damage life or property), shall be undertaken immediately regardless of full Board deliberation.

2. Ascribing volumes of water "taken" for each Contractor for the purpose of computing the 25-year average delivery percentages would be mechanically far simpler if it were done on the basis of head-gate deliveries as opposed to the proposed method which I refer to as the "water-controlled" method. We (Orange Cove Irrigation District) are not sure the benefits of using the *water-controlled* method warrants the increased complexity. Head gate values offers information that is immediately available, verifiable, simple, transparent and furthermore it relies on information originating from a single source (FWA meters).

Under the *water-controlled* method the combination of potential water transfers among 30 some odd contractors taken two at a time results in more than 400 combinations. Given the amount and complexity of transfer actions among Friant Contractors each and every year, this added complexity will undoubtedly introduce errors in the computation that may be very tedious or impossible to resolve. The time required may be burdensome and will increase demands on FWA staff and district contention. The *water-controlled* method will rely on head-gate information accuracy in addition to information provided by Reclamation on transfer quantities which must be completely accurate to achieve

numerical resolution. Under the *water-controlled* method there will have to be a perfect balance of these two sources of information and the resolution of an imbalance, which we know will be a fact of life, seems to be asking for unnecessary headaches, by many.

Please describe the advantages or rationale for preferring the *water-controlled* method, which demonstrates that those factors tip the scale to its preferential use over the mechanically simpler and arguably more accurate, head-gate value method.

These comments were discussed, and Morrissey was directed to submit such to FWA. *Manager Morrissey will draft a letter of these comments and submit to FWA staff and its Chairman.*

**11. Resolution 2019-01**

The Board considered a Resolution to enter into a Letter of Agreement with Reclamation for completing a Warren Act Contract to allow non-project water to be delivered to the District via the FKC during drought years. Director Miller motioned and Director Katayama seconded the motion to have Chairman Bailey and Manager Morrissey execute such a Resolution. *The Board voted unanimously in favor of the motion and second passing Resolution 2019-01.*

**12. Closed Session**

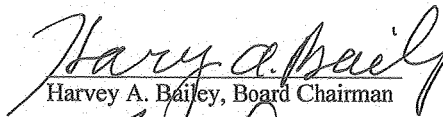
No Closed Session took place.

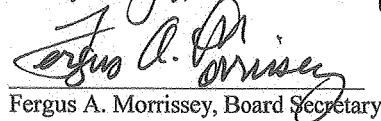
**13. Return to Open Session**

Moot

**14. Adjourn**

The meeting was adjourned by Chairman Bailey at 3:25 P.M. The next meeting was set for Wednesday June 12, 2019 at 11:30 at the District Office in Orange Cove.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday May 15, 2019. Chairman Bailey called the meeting to order at 11:41 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 (1:10 P.M. Arrival)  
Russell Katayama, Director

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

Others: Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for May 2019 to order at 11:45 A.M., with a quorum of Directors present. Director Miller arrived 1 hour 25 minutes after the start of the meeting.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

No public comments.

**4. Approval of Draft March 2019 Board Meeting Minutes.**

Director Katayama motioned, and Director Brown seconded the motion to approve the minutes for the April Board meeting. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Controller Ramirez recapitulated the Warrants for the period from April 6 to May 10 to be ratified by the Board, totaling \$621,223.51. A significant portion of the bills were water usage rebate payments to District landowners preferring payment to customer credit. A significant portion of the remaining bills were associated with conveyance charges. *Director Brown motioned to ratify the bills and Director Katayama seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**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 total water deliveries for April of 2,093-acre feet which represents substantially more than the next closest delivery in the last 5 years where in 2018, 1,420 acre feet were delivered.

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Manager Morrissey noted the liquidation of one CD and conversion to an AA rated commercial paper investment with a net increase in return over the next two years of \$10,000. Legal expenses to date were also summarized, where it was noted that the Court of Claims case against the United States has had little to no activity this year thus far.

Mr. Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had.

*No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

Since the April Board meeting, the District has received requests from 2 landowners to opt-out of paying standby for this year and until such time that they desire to have District water supply. Director Collin, III motioned to have the District record the latest received notarized requests with the respective County of parcel location. Director Brown seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

## 8. Water Management

Manager Morrissey discussed the runoff projections and the outlook for supplies this year. This year's supply is running at approximately 160% of average and so there will be no shortage of supply this year. *No action was taken by the Board.*

## 9. Hydropower Facilities

Manager Morrissey reported that FWR continues to run at its maximum potential, and in the FKC, KRSH is no longer running due to high flows and low head differential. Projections for revenue stemming from the jointly owned Friant Power Authority facilities looks to be outstanding for this year. *No action was taken by the Board on this topic.*

## 10. FWA Issues

### 10.1.

#### Consideration of \$50 million local cost share for subsidence fix.

Manager Morrissey discussed the conversation stemming from the ad hoc committee discussion on local cost share amounts by Contractor for the subsidence fix with the full District Board. Manager Morrissey briefed the Board on commensurate action by the FWA Executive Committee earlier in the week. While the language of the motion going to the FWA Board of Directors has yet to be finalized, the District Directors fully supported the emerging (apparent) recommendation to the FWA Board by the Executive Committee. Morrissey noted that another ad hoc committee meeting was scheduled for Monday the 20 and as a result of lack of precise language from the Exec. Committee it was premature for the OC Board to take action. Notwithstanding taking formal action, there was consensus accepting what is presumed to be the recommended action to the FWA Board – a \$50 Million local cost share by indirect beneficiaries on the basis of long term cumulative avoided delivery-based O&M charges

### 10.2.

#### Comments on the FWA OM&R Cost Recovery Policy out for 60-day review.

Manager Morrissey discussed his thoughts on relevant and necessary comments and solicited input from the Directors on those comments as well as other comments they might have. The Board agreed with the comments offered by Manager Morrissey and while they offered no additional comments at the Board meeting, requested that comments be open to further deliberation in the residual time provided for by the 60-day review.

*The Comments suggested at this time include:*

1. Effectuating the Friant Water Authority's proposed OM&R Policy should not by default apply to FKC OM&R Project (including Capital and /or Extraordinary Projects) whose total budget requirement exceeds 50% of the local cost share annual budget amount for that year. For local projects with budget requirements of this magnitude, the method of cost recovery shall be brought to the FWA Board of Directors for consideration of a potential alternate cost recovery method(s).

Projects exceeding, whether known beforehand or not, the noted dollar scale that are emergency in nature (immediately damaging or threatening to damage life or property), shall be undertaken immediately regardless of full Board deliberation.

2. Ascribing volumes of water "taken" for each Contractor for the purpose of computing the 25-year average delivery percentages would be mechanically far simpler if it were done on the basis of head-gate deliveries as opposed to the proposed method which I refer to as the "water-controlled" method. We (Orange Cove Irrigation District) are not sure the benefits of using the *water-controlled* method warrants the increased complexity. Head gate values offers information that is immediately available, verifiable, simple, transparent and furthermore it relies on information originating from a single source (FWA meters).

Under the *water-controlled* method the combination of potential water transfers among 30 some odd contractors taken two at a time results in more than 400 combinations. Given the amount and complexity of transfer actions among Friant Contractors each and every year, this added complexity will undoubtedly introduce errors in the computation that may be very tedious or impossible to resolve. The time required may be burdensome and will increase demands on FWA staff and district contention. The *water-controlled* method will rely on head-gate information accuracy in addition to information provided by Reclamation on transfer quantities which must be completely accurate to achieve



numerical resolution. Under the *water-controlled* method there will have to be a perfect balance of these two sources of information and the resolution of an imbalance, which we know will be a fact of life, seems to be asking for unnecessary headaches, by many.

Please describe the advantages or rationale for preferring the *water-controlled* method, which demonstrates that those factors tip the scale to its preferential use over the mechanically simpler and arguably more accurate, head-gate value method.

These comments were discussed, and Morrissey was directed to submit such to FWA. *Manager Morrissey will draft a letter of these comments and submit to FWA staff and its Chairman.*

**11. Resolution 2019-01**

The Board considered a Resolution to enter into a Letter of Agreement with Reclamation for completing a Warren Act Contract to allow non-project water to be delivered to the District via the FKC during drought years. Director Miller motioned and Director Katayama seconded the motion to have Chairman Bailey and Manager Morrissey execute such a Resolution. *The Board voted unanimously in favor of the motion and second passing Resolution 2019-01.*

**12. Closed Session**

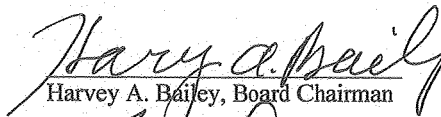
No Closed Session took place.

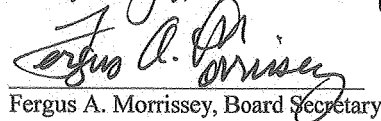
**13. Return to Open Session**

Moot

**14. Adjourn**

The meeting was adjourned by Chairman Bailey at 3:25 P.M. The next meeting was set for Wednesday June 12, 2019 at 11:30 at the District Office in Orange Cove.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday June 12, 2019. Chairman Bailey called the meeting to order at 12:37 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  
Russell Katayama, Director

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

Others: Mark Hendrixson - Landowner  
Keith Clem - Staff

**1. Call to order**

Chairman Bailey called the regular Board of Directors meeting for June 2019 to order at 12:37 P.M., with a quorum of Directors present.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

Mr. Jose Luna attended the meeting to request the ability for him to opt out of Standby charges associated with his 10-acre parcel. Mr. Luna does not use District water on this 10-acre parcel. The Board discussed Mr. Luna's request and there was consensus to grant Mr. Luna's request.

**4. Approval of Draft May 2019 Board Meeting Minutes.**

Director Collin motioned, and Director Katayama seconded the motion to approve the minutes for the May Board meeting. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*

**5. Ratification of Bills**

Manager Morrissey recapitulated the Warrants for the period from May 16 to June 10 to be ratified by the Board, totaling \$342,471.77. There were no questions regarding any of the disbursements. *Director Brown motioned to ratify the bills and Director Katayama seconded the motion. The Board voted unanimously in favor of ratifying the bills under consideration during the noted period.*

**6. Monthly Report**

Manager Morrissey 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 total water deliveries for May of 2,876-acre feet and year to date total delivery of 5,082. The sum total of District landowner meters and FKC (Bureau) meters are in very close alignment thus far into the Contract Year.

Also discussed were various financial categories including District power plant revenues, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were also summarized.

Mr. Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had.

*No action was taken by the Board on this topic.*

**7. Opt-Out Request Recording**

Since the May Board meeting, the District has received requests from 2 landowners to opt-out of paying standby for this year and until such time that they desire to have District water supply. Director Brown motioned to have the District record the latest received notarized requests with the respective County of parcel location. Director Miller seconded the motion and *the Board voted unanimously in favor of recording the completed documents.*

**8. Water Management**

Manager Morrissey discussed water supply status and general water management transfers and exchanges contemplated for the year. *No action was taken by the Board.*

**9. Hydropower Facilities**

Manager Morrissey reported that FWR continues to run at its maximum potential, and in the FKC, KRSH ran for a short period of time over a few weekends when flow in the FKC dropped to the point where this asset can be utilized. *No action was taken by the Board on this topic.*

**10. FWA Issues**

Manager Morrissey briefly discussed the comment letter sent to the FWA regarding the 60-day review of the revised Cost Recovery Policy document. *No action was taken by the Board.*

**11. Closed Session**

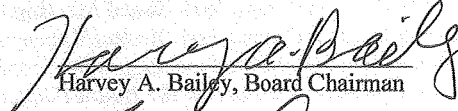
- a) The Board discussed real property negotiations associated with the Mill Creek Water right in closed session.
- b) The Board discussed District Staff performance and compensation.

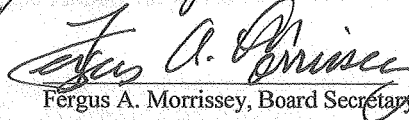
**12. Return to Open Session**

During the Closed Session, the Board reported no action on item a) above and relative to item b) the Board reported an increase in 5% to all District full time staff, excluding Manager Morrissey.

**13. Adjourn**

The meeting was adjourned by Chairman Bailey at 3:55 P.M. The next meeting was set for Wednesday July 10, 2019 at 11:30 at the District Office in Orange Cove.

  
Harvey A. Bailey, Board Chairman

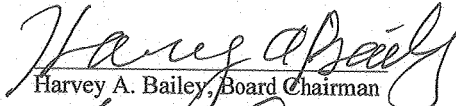
  
Fergus A. Morrissey, Board Secretary

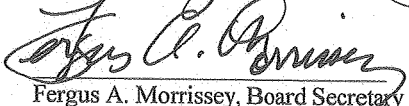
Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Tuesday July 2, 2019. Chairman Bailey called the meeting to order at 12:16 P.M., with the following Directors and Officers present:

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

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

1. **Call to order**  
Chairman Bailey called the Special Board of Directors meeting to order at 12:16 P.M., with a quorum of Directors present.
2. **Approval of the Agenda**  
No changes to the Agenda were needed.
3. **Public Comment**  
None.
4. **Approval of Draft June 2019 Board Meeting Minutes.**  
Director Katayama motioned, and Director Miller seconded the motion to approve the minutes for the June 2019 Regular Board meeting. *The Board voted unanimously in favor of finalizing the draft minutes provided in the Board Packet.*
5. **Closed Session – Real Property Negotiation**  
The Board moved into Closed Session at 12:27 P.M. to discuss real property negotiations related to its Mill Creek water right.
6. **Return to Open Session**  
The Board returned to open session reporting consensus to reject the offer received.
7. **Adjourn**  
The meeting was adjourned at 12:46 P.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

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