

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 14, 2004. The Meeting was called to order at 11:37 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Richard D. McFarlin
Henry A. Collin, III
David A. Brown

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Others: Arlen Miller, Landowner

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board of Directors meeting held December 16, 2003 or the Special Board meeting held December 30, 2003. Director McFarlin offered a motion to approve both sets of minutes. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$353,328.88 were then discussed. After discussion, Director McFarlin offered a motion to approve the bills. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Manager Chandler reported on the letter to legal counsel for Wileman Brothers & Elliott regarding land detachment from the District, State Water Resources Control Board fees and manifold replacement for pump station 5A. President Bailey reported on activities of CVPWA and Family Farm Alliance. Other related issues were discussed including the grant payment for the water program update.

Under Water Rates and Related Issues, discussion was again held regarding rates as was discussed in the December 2003 Board meeting. After discussion, Director Brown offered a motion to hold the water rates at the same level as the previous three years but to inform water users that if adequate supplies are not used within the District, rate adjustment may be necessary before the end of the water season. The motion was seconded by Director McFarlin and unanimously approved by the Board.

Under Late Payments for Standby Charges, two landowners appeared before the Board to appeal the penalties that were placed on their bills for late payments. First, Mr. Bill Benson presented his case that the bills were in error (name only) and a real misunderstanding developed in his communications with the District staff as to whether bills would be revised before payment was due because of the development of computer software. As such, his payment was one day late. Staff recommended against waiving the penalty. After considerable discussion, the Board waived the penalty. Ms. Betty Cornelius then appeared before the Board and asked that her penalties be waived because she was late with her payment due to a death in the family. After discussion, the Board denied the request. The Board then reviewed a letter request from Traner and Taft to waive the penalty. This request to waive the penalty was denied.

Under Friant Water Users Authority Issues, Manager Chandler and President Bailey reported to the Board the difficulties in trying to resolve the difference between Authority members which is leading toward the formation of a new authority. Discussion was then held about the formation of a new JPA. After discussion, the Board recommended moving toward a new authority if matters with the current Authority could not be resolved in the very near future.

Under electrical Power, reports were given on activities Friant Power Authority, revenue generation for Fishwater Hydro and Kings River Siphon Hydro. Also discussed was the updated cost estimate for amending the Friant Fishwater Hydro FERC license to include a second hydro plant at Friant. The new estimate ranged from \$40,000 - \$45,000. After discussion, the Board agreed to continue the amendment.

Under AFRP Project, reports were given on discussions with various agency folk. Most notably was the fact that the Bureau was now taking the position that the line item for Mill Creek enhancement in the Appropriations Bill would not be directed to the Mill Creek project proposed by OCID. Further, the grant proposed for the Mill Creek Conservancy would require full transfer of the water rights to the Conservancy. This matter was very upsetting to the Board because it would not let the District recover its cost in the project and, further, the position is contrary to what was offered by Regional Director, Kirk Rodgers, at an earlier meeting. After a short discussion, the matter was tabled so more information could be gathered before the Board makes final decision on this matter.

Under Groundwater Management Grant Application, the Board discussed formalizing its request for a grant for groundwater enhancement program by resolution. After discussion, Director Collin offered a motion to approve the resolution. The Motion was seconded by Director Brown and unanimously approved by the Board.

Under Water for Orange Cove High School, a status report was given on the request for the District to provide water for lawns at the new high school including discussion with District Counsel as to the role the District could play in providing water or water service.

Under Central Valley Project Water Association, a discussion was held to consider continuing membership in the Association. After discussion, Director Brown offered a motion to continue District participation in the Association. The motion was seconded by Director Orlopp and unanimously approved by the Board.

A discussion was then held to consider continued participation in the Agricultural Energy Consumers Association. After discussion, Director Orlopp offered a motion continue participation. The motion was seconded by Director McFarlin and unanimously approved by the Board.

Under NRDC v Patterson, a status report was given on the efforts by the Friant group to get prepared to litigate the issues before Judge Karlton in Federal District Court.

With no further business to discuss, the Regular Board meeting was adjourned at 3:42 P.M.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, February 11, 2004. The Meeting was called to order at 11:30 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Richard D. McFarlin
Henry A. Collin, III
David A. Brown

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board of Directors meeting held January 14, 2004. Director McFarlin offered a motion to approve the minutes. The motion was seconded by Director Orlopp and unanimously approved by the Board.

Bills totaling \$181,952.61 were then discussed. After discussion, Director McFarlin offered a motion to approve the bills. The motion was seconded by Director Brown and approved by majority vote. Director Collin cast a no vote.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Manager Chandler discussed water issues including carry over supply of 3564 acre feet. President Bailey reported on activities of CVPWA and Family Farm Alliance. Several other related issues were discussed.

The Friant Water Users Authority issues were then discussed including the signing of the Friant-Westlands settlement agreement and the efforts to resolve dispute within the membership.

Under Friant Water Authority, a discussion was held to consider a call for funds for startup of the new authority in the amount of \$50,000 total, appointment of directors and alternate directors and advisory representatives and alternate representative. After discussion, Director Brown offered a motion to pay OCID's share of the startup money, appoint Chairman Bailey as OCID's representative with any other Board member as alternate and, Manager Chandler as the representative to the advisory committee with Director Bailey serving as the alternate. The motion was seconded by Director Orlopp and unanimously approved by the Board. Manager Chandler then reported on the number of meetings being attended by Chairman Bailey as Chairman of the new authority and recommended as minimum that the District cover his mileage expense until other means are in place to cover such expense. The Board concurred that those were reasonable expense to be covered by OCID.

Under Electrical Power, Director Brown reported on the FPA Board meeting and other activities of the Authority. A report was also given on Friant Fishwater Hydro.

Under AFRP Project, Chairman Bailey and Manager Chandler reported on their meeting with Bureau folks and discussed options to accepting the offer by the Bureau to transfer water rights to the Mill Creek Conservancy. The Bureau's proposal and conditions associated with their proposal does not appear to be reasonable based on other water purchases being made by the agency for the same purpose. After discussion, the Board elected to table the matter for further evaluation of options.

Under Water Management Activities, two proposals were heard by the Board. First, Dennis Keller appeared before the Board to discuss a proposal for Hills Valley ID and Tri-Valley WD to enter into a long term agreement with the District for use of 6,000 acre-feet of OCID water. Mr. Keller laid out a conceptual plan but noted it would have to be approved by the other two boards of directors. Richard Moss later appeared before the Board to discuss another conceptual plan which would involve a long term transfer of 5,000 acre-feet. After discussion, the Board directed Manager Chandler to analyze the two proposals and call a Special Board meeting for

February 25, 2004 for further discussion.

The SCADA Computer was then discussed in consideration of replacing the computer at a cost of about \$1850. After discussion, Director McFarlin offered a motion to purchase a new computer. The motion was seconded by Director Collin and unanimously approved by the Board.

A discussion was then held regarding the Ag Discharge Waiver and what involvement the District should have in that the final order require landowners to sign up with the Coalition rather than permitting districts to submit ownership names. After discussion, the Board directed staff to mail notice to landowners informing them of the requirements.

Under Mobile Lab, the Board reviewed a request for support of the Pond-Shafter Wasco Resource Conservation District mobile lab. After discussion, the Board elected to not participate due to the number of other cost issues the District is faced with.

The Water Education Foundation call for financial support was then discussed. After discussion, the Board recognizes the benefit for the program but elected again to not participate because of other high District cost.

Under Personnel Matters, a closed session was called to discuss employee performance. Coming out of closed session, President Bailey announced that Board action had been taken to recognize Robert Ramirez (\$1000), Dalia Cantu (\$500) and Rita Mejorado (\$500) for their efforts in developing and proofing of the District's new water accounting software.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court.

With no further business to discuss, the Regular Board meeting was adjourned at 4:05 P.M.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Tuesday, March 9, 2004. The Meeting was called to order at 8:05 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Henry A. Collin, III
David A. Brown

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Absent: Richard McFarlin

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board of Directors meeting held February 11 and the Special meeting of the Board, February 25, 2004. Director Orlopp offered a motion to approve both sets of minutes. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$385,470.17 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Manager Chandler reported that the Bureau would most likely declare 100 percent Class I water available for Water Year 2004. If so, the District would have in excess of 48,000 acre-feet to use and/or market during the year. President Bailey reported on activities of CVPWA and Family Farm Alliance. Several other related issues were discussed.

A discussion was then held to consider entering into a Temporary Water Service Contract with the Bureau if 215 water is made available. After discussion, Director Brown offered a motion to approve the contract. The motion was seconded by Director Collin and unanimously approved by the Board.

Under Late Payments for Water Deposits, The District had no formal request to waive penalties.

Issues relating to Friant Water Users Authority and Friant Water Authority were then discussed together. Reports were given regarding the dispute between Madera ID and the remaining Friant districts. Madera continues to write letters accusing both the FWUA and FWA of abusing authorities and violations of public information requirements such as the Brown Act.

Under Electrical Power, generation reports were given for the power projects including an update on average production for Friant Power Authority.

Under AFRP Project, reports were given regarding a meeting with Burt Bundy and Bill Berens and follow up discussions with Burt Bundy. The conservancy is interested in purchasing the water rights from the District if they can raise the money to do so. In that regard, Mr. Bundy asked that the District set a minimum price for which the District would transfer the water rights to the Conservancy. After discussion, the Board set a price of \$1.2 million for a period of six months. The Board also decided they would turn down USBR's offer of \$750,000 for the acquisition of the rights.

Under Ag Discharge Waiver, it was reported that new litigation had been filed against the Regional Water Quality Control Board by environmentalist that did not like the Board's final ruling regarding this matter. The Southern San Joaquin Valley Water Quality Coalition which is coordinating activities in the Valley south of the San Joaquin River will continue to prepare and submit required reports in a timely manner to the Regional Board with the assumption the discharge waiver will still be handled through the Coalition. The landowner registration may change with the litigation wherein the District would send new instructions to its landowners.

A discussion was then held in consideration of entering into an MOU with Hills Valley ID and Tri-Valley WD for the jointly developed Groundwater Management Plan. After discussion, Director Brown offered a motion to approve the MOU. The motion was seconded by Director Orlopp and unanimously approved by the Board.

The American Avenue Bridge Crossing was then discussed. Manager Chandler reported that the County of Fresno wanted additional load analysis ran on the proposed installation and signed by a Civil Engineer. Cost would increase to the participants which were currently being estimated at \$500 – \$600 per participant. After discussion, the Board directed staff to inform participants that cost may increase up to \$1000 per participant to make sure they were willing to continue with the plan.

A discussion was then held to consider subscribing to a high speed wireless internet service. The cost would be approximately \$650 for installation and \$150 per month for unlimited service. After discussion the Board elected to not subscribe for the service.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court.

With no further business to discuss, the Regular Board meeting was adjourned at 10:25 A. M.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, March 31, 2004. The Meeting was called to order at 8:07 AM, with the following Directors and Officers:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Henry A. Collin, III
David A. Brown

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert Ramirez, Controller / Treasurer

Others: Richard Moss, Consultant
Arlen Miller, Landowner

Absent: Richard McFarlin

Two issues were agendized for discussion. The two items were to continue discussion on a long-term water management plan and the approval for a letter agreement for the District's audit which included new provisions for the audit and associated cost.

The Board discussed a policy resolution which sets the basis for which it would work toward a long-term water management program. After discussion, Director Collin offered a motion to approve the resolution. The motion was seconded by Director Brown and unanimously approved by the Board. Two concepts were then discussed for which the District would be willing to work toward reaching an agreement with another entity to participate in a long-term water management program. After discussion, Director Brown offered a motion to present both options to potential participants. The motion was seconded by Director Collin and unanimously approved by the Board.

An agreement letter for the 2003 audit was then discussed including mandatory changes to audit requirements and associated cost. After discussion, Director Orlopp offered a motion to approve the letter agreement for the 2003 audit and take bids for the 2004 audit. The motion was seconded by Director Brown and unanimously approved by the Board.

With no further business to discuss, the Special meeting of the Board was adjourned at 9:47 AM.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 14, 2004. The Meeting was called to order at 8:00 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
Richard McFarlin
Henry A. Collin, III
David A. Brown

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Others: Arlen Miller, Landowner

Absent: James O. Orlopp, Vice President

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board of Directors meeting held March 9, 2004 and the Special meeting of the Board, March 31, 2004. Director Brown offered a motion to approve both sets of minutes. The motion was seconded by Director Collin and unanimously approved by the Board.

Bills totaling \$254,567.30 were then discussed. After discussion, Director McFarlin offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Questions were raised as to whether the District is getting any response from Wileman Brothers & Elliott regarding their resistance to paying Standby charges. Staff responded that there had not been any communications with this landowner since the letter sent by Counsel Meith. The Board then suggested that staff have the Collection Service send a notice of collection.

Manager Chandler then reported that the Bureau had raised the water declaration to 5% Class II which provided a little more assurance that the full Class I would be available. With this declaration, Manager Chandler requested authorization to sell some of the District's excess water for the season. Currently, Chowchilla and Madera had request to purchase water from OCID. After discussion, Director McFarlin offered a motion to sell up to 10,000 acre-feet at \$100 per acre-foot. The motion was seconded by Director Brown and unanimously approved by the Board. Chairman Bailey then reported on activities of CVPWA and Family Farm Alliance. Several other related issues were discussed.

Under Late Payments for Water Deposits, Loren Booth appeared before the Board to request a waiver of her late payment penalty because payment had been deposited into the Visalia Post Office and should have been postmarked on time. However, the postmark was February 21, 2004 from San Clarita (Southern California) and contained only a check and no application as required by the District's policy. After discussion, the Board denied the request for a waiver of the penalty.

Issues relating to Friant Water Users Authority and Friant Water Authority were then discussed. Reports were given regarding the continuing efforts to resolve the difference between Madera ID and the rest of the FWUA membership. Members of FWA continue to get sufficient organizational matters in place so the O&M functions of the FWUA can be moved to FWA.

Under the OCID Water Conservation Plan, a discussion was held to consider adopting the District's 2003 updated plan. After discussion, Director Brown offered a motion to formally adopt the plan by resolution. The motion was seconded by Director McFarlin and unanimously approved by the Board.

Under Electrical Power, reports were given on activities of Friant Power Authority including the appointment of Nick Canata as Vice President and the Madera Plant renovation. Reports were also given for generation at FPA, Fishwater Hydro and Kings River Siphon.

Under AFRP Project, it was reported that there had not been any new discussion with Mill Creek Conservancy regarding the purchase of water rights since that reported at the March Board meeting.

Under Long Range Water Management Plan, there was no new activity to report. The District's proposal had been delivered to the potential participants and is waiting for a response.

Under Pickups for Field Operations, Manager Chandler reviewed the status of the existing pickups and proposals to purchase replacement vehicles. After discussion, Director Brown offered a motion to replace the vehicles by low bid (Chevrolet or GMC – same bid price). The motion was seconded by Director Collin and unanimously approved by the Board.

Under Zieman Trailer Ramps, Manager Chandler reported that the aluminum ramps had been replaced with steel ramps during construction due to damage to the aluminum ramps and had not been replaced. This was considered a safety issue due to the weight of the ramps and not always having a second person to help lift the ramps. After discussion, Director McFarlin offered a motion to replace the ramps at an estimated cost of \$1206. The motion was seconded by Director Brown and unanimously approved by the Board.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court.

A letter of resignation was presented by Director McFarlin. Mr. McFarlin expressed his gratitude for having the opportunity to serve the constituents of the District for 27 ½ years. In turn, the Board and staff expressed their sincere appreciation for the years served of which many were under challenging conditions and wished him the very best for his future endeavors.

With no further business to discuss, the Regular Board meeting was adjourned at 10:40 A. M.

Harvey A. Bailey, President

James C. Chandler, 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 12, 2004. The Meeting was called to order at 11:50 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Henry A. Collin, III
David A. Brown
Arlen Miller

Officers: James C. Chandler
Engineer-Manager-Secretary

Others: Jon Chessum, Baker, Peterson and Franklin
Richard Moss, Consultant

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there was a candidate or candidates to be considered for appointment to the Board of Directors for Division 4. Director Brown offered a motion to appoint Arlen Miller. The motion was seconded by Director Collin and unanimously approved by the Board.

President Bailey then asked if there were any errors or omissions to the minutes for the April Board meeting. Hearing none he ordered the minutes approved as prepared.

Bills totaling \$314,392.03 were then discussed. After discussion, Director Orlopp offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

The Monthly Report was then discussed. Manager Chandler recommended review of Controller Ramirez' report regarding the financial standing of the District. Discussion was then held regarding the amount of water held by the District, the purchase by Southern San Joaquin MUD and request by other districts to purchase water. After discussion, the Board agreed to accept the sale to SSJMUD at \$60 per acre foot on the basis it was 2003 water. The Board then reaffirmed their previous position of selling up to 10,000 acre feet of water but needed a better understanding of potential water needs within the District before selling more. The preliminary rating of the AB303 Grant Application was then discussed in which the District was ranked seventh out of 72 applicants. Based on stated funds available, the grant program should give OCID money to develop its groundwater management program. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance. Various reports were given regarding the ACWA & ACWA/JPIA conferences and other related activities.

The 2003 Audit was then discussed. Mr. Jon Chessum, Baker, Peterson & Franklin, reviewed the report with the Board giving the opinion that the District records are in good order and fairly represent the District's activities. Mr. Chessum discussed further changes occurring in the audit standards which they will be required to comply with the following year. Also discussed was policy for fraud prevention which was strongly recommended at the ACWA conference.

Under Friant Water Users Authority and Friant Water Authority, a discussion was held regarding the efforts to transfer the O&M activities from the FWUA to FWA and the argument over whether it was a General Member vote or an O&M Member vote to move the activities. Madera ID claimed it should be a General Member vote on the basis that moving O&M along with all employees could impact their water supply. As such, they could block the transfer via the lack of unanimous consent. Counter action has been taken on the basis that it is only an O&M issues and the transfer is moving forward on that basis. The issue of Central Green was also discussed where they want to use their Holding Contract as a basis for water for development of residential property in Madera County.

Under Electrical Power, reports were given on activities of Friant Power Authority including the likelihood that Ken Wakelee, Chief Plant Operator, may be leaving the Authority for another job. Reports were given for generation at FPA, Fishwater Hydro and Kings River Siphon.

Under AFRP Project, there was no new activity to report toward the sale of the water rights to the Mill Creek Conservancy.

Under Long Range Water Management Plan, Richard Moss appeared before the Board to discuss the counter proposal from the Root Creek Group. The counter proposal was considerable different than what the Board expected to receive and, therefore, asked that staff run analysis of the proposal for a better understanding of the difference between OCID's proposal. A tentative meeting was scheduled for May 26, 2004 for further discussion.

Dues for Family Farm Alliance were then discussed. After discussion, Director Orlopp offered a motion to pay the dues which were in the amount of \$1500. The motion was seconded by Director Collin and unanimously approved by the Board.

Dues for Water Education Foundation was then discussed. The Board took no action on this item.

Under Surplus Equipment, a discussion was held in consideration of declaring the old field operations pickups and other miscellaneous equipment surplus to the District needs. After discussion, the Board directed staff to offer on a bid basis the two pickups with a minimum of \$1000 each and the other items on an offer basis.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court. Reports from attorneys representing the Friant Water Users were included for the Board's review.

With no further business to discuss, the Regular Board meeting was adjourned at 3:01 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, May 26, 2004. The Meeting was called to order at 8:00 AM, with the following Directors and Officers:

Directors: Harvey A. Bailey, President
James O. Orlopp, Vice President
Henry A. Collin, III
David A. Brown
Arlen Miller

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert Ramirez, Controller / Treasurer

Others: Richard Moss, Consultant

Two issues were agendized for discussion which were water sales to other district and continued discussion on the long-term water management proposal with a participating entity.

The Board first discussed water sales due to requests from other districts to purchase water. The Board was concerned that excessive sales could short water users in the District since some wells are loosing production due to dry-year conditions. After discussion, the Board authorized staff to fulfill Saucelito ID needs up to 1800 acre-feet and to notify OCID water users to firm up their water season needs by June 20th before any additional water is sold.

The Board then continued its discussion on a long-term water management program proposal. Richard Moss reviewed a counter proposal from a potential participant that addressed and met most conditions that the District was asking for to participate in a long-term water management program. After discussion, the Board asked Mr. Moss to alter certain provisions and seek acceptance from the potential participants. If agreement is reached, OCID would then be ready for the development of a draft agreement and other documents necessary to consummate the deal.

With no further business to discuss, the Special meeting of the Board was adjourned at 9:20 AM.

Harvey A. Bailey, President

James C. Chandler, 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 9, 2004. The Meeting was called to order at 8:10 A.M., with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President James O. Orlopp, Vice President Henry A. Collin, III David A. Brown Arlen Miller
Officers:	James C. Chandler Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Richard Moss, Consultant Russell Katayama, Landowner

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held May 12, 2004 and the Special Board meeting held May 26, 2004. Director Collin offered a motion to approve both sets minutes. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$355,221.67 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Discussion was then held regarding the amount of water held by the District and whether to sell any additional water to other districts. After discussion, the Board elected to wait until after the June 20th true up on water sales before selling any additional water to other districts. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance. Various reports were given including a request from Tri-Valley Water District to reconsider consolidation of districts.

A discussion was then held regarding directorship for the District and whether a new bill before the State legislatures would change the requirements should it become law. After discussion, the Board asked that Counsel Meith review the matter so it could be discussed further at the next regular Board meeting.

Under Personnel, Director Collin asked to address the Board before leaving for another meeting with concerns he had for cost of benefits to employees, particularly those associated with providing medical insurance. Director Collin then left the meeting and discussion continued by first reviewing salaries and benefits. After excusing Controller Ramirez, Manager Chandler then discussed key position with the District and made a preliminary recommendation for salary adjustments. After further discussion, Director Brown offered a motion to table the matter for further discussion with the full Board present. The motion was seconded by Director Orlopp and unanimously approved by the Board.

Under Friant Water Users Authority and Friant Water Authority, a status report was given on efforts to transfer the O&M activities from the FWUA to FWA. Also discussed were Madera ID's efforts to get a higher priority or more water under their contract by virtue of having assigned the Friant Dam site to the Bureau for a long term water service contract.

Under Electrical Power, reports were given on activities of Friant Power Authority including the fact that the Madera Power Plant was back online; Chief Operator Wakelee had left the Authority for position with the State. Reports were also given for generation at FPA, Fishwater Hydro and Kings River Siphon.

Under AFRP Project, there was no new activity to report toward the sale of the water rights to the Mill Creek Conservancy.

Under Long Range Water Management Plan, Richard Moss appeared before the Board and reported that the Root Creek Group had elected to seek water from an organization in Kern County primarily for the purpose of having better assurances for dry-year supplies. After Consultant Moss left the meeting, Manager Chandler discussed the request by Tri-Valley Water District to pursue a long-term water management plan for joint operations and consideration of consolidating the districts. After discussion, the Board agreed to evaluate such a proposal by having Dennis Keller present at the next regular meeting for a framework proposal.

Under APN Changes, Manager Chandler and Controller Ramirez explained changes taking place in Tulare County where the APN acreage is changed by the removal of County roads from landowner assessments. The changes have the potential to cause the District to change how it bills especially for COP repayment. Tulare County says it is a change in State law but the District is not seeing the same activity in Fresno County.

Bids were then opened for surplus equipment. Two items of significance were the operations pickups bid were well over minimum \$1000 offering. The Board approved awarding the surplus equipment to the highest bidders.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court. The Summary Judgment hearing is scheduled for July 26, 2004. Over two million pages of documents on the CVP have been provided for the record which is making it difficult for the Friant attorneys to locate data pertinent for the hearing.

At the close of the meeting, Director Orlopp asked for a moment to express his gratitude for the opportunity to serve the constituents of OCID for nearly 23 years and then submitted his resignation due to health reasons.

With no further business to discuss, the Regular Board meeting was adjourned at 11:20 AM.

Harvey A. Bailey, President

James C. Chandler, Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, July 14, 2004. The Meeting was called to order at 11:40 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
Henry A. Collin, III
David A. Brown
Arlen D. Miller

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Others: Dennis Keller, Consultant
John Colbert, President, Tri-Valley WD

President Bailey opened the meeting and asked if there were any changes to the agenda. Manager Chandler recommended that we add to Agenda Item # 6 the election of a Vice-Chairman. The Board agreed to the addition.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held June 9, 2004. Director Collin offered a motion to approve the minutes. The motion was seconded by Director Miller and unanimously approved by the Board.

Bills totaling \$532,743.90 were then discussed. After discussion, Director Collin offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

A discussion was then held to consider appointing a new Director for Division 5. After discussion, Director Brown offered a motion to appoint Russell Katayama. The motion was seconded by Director Miller and unanimously approved by the Board. Under consideration for Vice-Chair, Director Brown offered a motion to elect Director Collin. The motion was seconded by Director Miller and unanimously approved by the Board. Discussion also continued regarding future options for electing directors for the District.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Discussion was then held regarding the amount of water held by the District and whether to sell any additional water to other districts. After reviewing projections of potential use, the Board elected not to sell any additional water outside the District at this time. Other related water issues were discussed including Visalia Produce moving water purchased from land in OCID to land owned in Madera ID. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance.

Under Personnel, discussion continued from the last Board meeting by first addressing cost for medical insurance coverage. After discussion of this issue, the Board directed staff to prepare a coverage analysis for the different plans so the benefits could be compared to cost. Controller Ramirez was then excused and discussion continued regarding salary adjustments for staff. After discussion, Director Collin offered a motion to adjust the monthly salaries and/or hourly rate as follows:

	Effective July 1, 2004	
	<u>From</u>	<u>To</u>
Controller	\$5,500	\$5,900
Secretaries	\$2,277	\$2,377
Operations Staff	\$4,092	\$4,194
Engineering Tech	\$20.46/Hr.	\$20.97/Hr.

The motion was seconded by Director Brown and unanimously approved by the Board.

Under Friant Water Users Authority and Friant Water Authority, it was reported that the O&M operations had been successfully moved from FWUA to FWA including all staff. Ron Jacobsma was hired as manager of the new Authority. Chairman Bailey reported on other related issues including his intent to meet with Kole Upton, Chairman, FWUA, in an attempt to understand Chowchilla WD's position on issues and keep water interest working together the best we can.

Under Electrical Power, Director Brown reported on the FPA Board meeting including approval to replace and upgrade certain equipment in the plant. Revenue reports were given for FPA, FWR and KRSH. The status of the FERC License amendment and the FERC inspection was also discussed.

Under AFRP Project, there was no new activity to report toward the sale of the water rights to the Mill Creek Conservancy.

Under Long Range Water Management Plan and consolidation of districts, Dennis Keller and John Colbert appeared before the Board for discussion. Tri-Valley Water District is very interested in consolidation and Hills Valley ID may also be but have different issues. Several issues were discussed including how best to proceed. After discussion, the Board agreed this was a matter that should be evaluated for the long term benefits of the districts that may participate in consolidation and joint use of resources. To proceed, Mr. Keller and OCID staff, were asked to start identifying issues that would need to be considered to move forward.

Under RFP for District Audit, Controller Ramirez reported that notices were mailed to CPA firms requesting proposals for independent audit services for fiscal year ending December 31, 2004. The proposals are due by September 3, 2004.

Under LAFCO Issues, a status report was given on the current application to annex certain lands into the District and the need to start another application to detach other land that was annexed into the City years ago without knowledge of or failure to act by the District.

Support for Pacific Legal Foundation was then discussed. After discussion, Director Brown offered a motion to support PLF with a \$500 donation. The motion was seconded by Director Miller and unanimously approved by the Board.

Under NRDC v Patterson, a status report was given regarding Friant's efforts in the NRDC v. Kirk Rodgers litigation before Judge Karlton in Federal District Court. It was noted that the Summary Judgment hearing is scheduled for July 26, 2004 had been continued to August 10, 2004.

Bids were then opened for surplus equipment. One bid was received for the boom truck (boom removed and destroyed) for \$350. After discussion, Director Brown offered a motion to accept the bid. The motion was seconded by Director Miller and unanimously approved by the Board.

With no further business to discuss, the Regular Board meeting was adjourned at 4:42 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, August 11, 2004. The Meeting was called to order at 11:43 A.M., with the following Directors and Officers present:

Directors: Harvey A. Bailey, President
Henry A. Collin, III, Vice President
David A. Brown
Russell Katayama

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Absent: Arlen D. Miller

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held July 14, 2004. Director Collin offered a motion to approve the minutes. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$644,722.24 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Regarding water, the Bureau raised their Class II declaration from five percent to eight percent. OCID usage and projection were discussed and the Board elected to not sell any more water to other districts at this time. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance. Other related water issues were discussed.

Under Water Transfer Request, the Board reviewed a request from John Woolf to transfer 25 acre-feet of water he purchased in OCID to a landowner in Madera ID. After discussion, Director Katayama offered a motion to approve the transfer provided Mr. Woolf understands that he would be at the bottom of the list to purchase any additional water from OCID this Water Year. The motion was seconded by Director Brown and unanimously approved by the Board.

The Friant-Kern Canal Dewatering was then discussed. The dewatering plan calls for an early dewatering of the Sand Creek check which means some systems such as System 8 will be out of water on or near the first of November. The District will continue to evaluate possible impacts from the early dewatering.

A discussion was then held to consider approving new directors to sign District checks. After discussion, Director Brown offered a motion for directors Miller and Katayama to sign checks for the District. The motion was seconded by Director Collin and unanimously approved by the Board.

A discussion was then held regarding cost and benefits of Employee and Director Insurance. After discussion, the Board elected to keep in place the current plan.

Under Reclaimed Water, Manager Chandler briefed the Board on recent discussions with staff from the City of Orange Cove. Staff has indicated they will not be treating any more reclaimed water to a tertiary level due conditions of the plant. They also have interest in taking over the reclaimed water pipeline to deliver untreated canal water to the school grounds for turf irrigation.

Under the Crawford Avenue Pipeline, Manager Chandler briefed the Board on his analysis for hydraulic solution to the facility. Other issues would have to be addressed later which will most likely involve the Tri-Valley WD Board of Directors. With Board acceptance, the next step would be to meet with Mr. Kryder so he understands what his requirements would be toward solution of the problem. The Board accepted the proposal and directed staff to continue efforts to resolve the matter.

Under Friant Water Users Authority and Friant Water Authority, reports were given regarding Madera ID's contract discussion with the Bureau of Reclamation, the USBR/DWR fisheries study for the San Joaquin River and issues related to Holding Contracts along the River. Chairman Bailey reported on other issues involving the two authorities

Under Electrical Power, power generation and revenue reports were given for FPA, FWR and KRSH. Even though water supply is comparable to 2003, generation at the hydro plants at Friant Dam is off considerably due to operations which have left the Lake at a much lower elevation this year.

Under Groundwater Management Planning, it was reported that the OCID grant was approved and the contract is being written. Further, OCID could start work on its program which is authorized for reimbursement by the June, 2004 letter from DWR. The District's preference is to see the contract before much work is done. Also discussed was the formation of an Advisory Committee to focus on the in lieu banking concept.

Under Long Range Water Management Plan and consolidation of districts, it was reported that Dennis Keller is drafting a framework for discussion. No other activity has taken place.

The Closed Session to discuss the Wileman/Elliott claim was not held since Counsel had not completed his review of all issues listed in the claim.

Under NRDC v Patterson, Chairman Bailey attended and reported on the hearing before Judge Karlton, August 10, 2004, regarding Fish and Game Code Section 5937. A report from Counsel Sexton was also handed out for Board review. The remaining issues before Judge Karlton are the ESA and NEPA which have been scheduled to be heard January 26, 2005.

The 2005 draft budget was then discussed with Controller Ramirez giving an overview of the draft.

With no further business to discuss, the Regular Board meeting was adjourned at 3:05 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, September 8, 2004. The Meeting was called to order at 11:40 A.M., with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller Russell Katayama
Officers:	James C. Chandler Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Tony Soares, Legal Counsel

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held August 11, 2004. Hearing none, he ordered the minutes approved as prepared.

Bills totaling \$577,291.83 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Miller and unanimously approved by the Board.

At 11:55AM, a Closed Session was called for discussion with Counsel Tony Soares regarding a claim filed by Wileman/Elliott. The regular meeting reconvened at 12:25PM and it was reported that one action was taken in Closed Session which was to deny the claim but to include a separate letter from Counsel Soares to the attorney for Wileman/Elliott which discusses the merits of the claim.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Water supply was then discussed. Based on current trend, water use was projected to be about 32,000 to 32,500 acre-feet by early November when the Canal is proposed for shut down. The District had more request for water purchases but based on the projected use, the Board elected to not sell any more water at this time. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance. Other related water issues were discussed.

The 2005 Budget was then discussed. After the review of the dues and contributions, the Board elected to drop the services of Valley Employers Association. Director Katayama then offered a motion to approve the budget with the adjustment in dues. The motion was seconded by Director Miller and unanimously approved by the Board.

A request to terminate services for the HYE Development was then discussed. The property had been annexed into the City of Orange Cove and was being developed for housing. After discussion, Director Brown offered a motion to terminate service and refund the balance on water purchases if any. The motion was seconded by Director Katayama and unanimously approved by the Board. Also discussed under this item was whether to annex replacement property. Since the annexation into the City was in 1977 with little documentation in District files, Manager Chandler suggested an assessment of annexations and detachments to the District before a decision is made on replacement property.

Under OCID Policy issues, a discussion was held to consider whether to develop broad general policy for District operations or continue to develop policy for specific issues as the Board determined necessary. After discussion, the Board elected to continue to develop policy as needed. After further discussion, the Board agreed that its general policy for the amount of reserves held should be documented in writing.

Under Friant Water Users Authority and Friant Water Authority, a discussion was held regarding Judge Karlton's ruling. The ruling came much sooner than expected and fails to address arguments presented by the defendants. The ruling is on the liability aspects of State law (Fish and Game Code Section 5937) which is still under question as whether Federal Court has jurisdiction. It appears Karlton wants to move the case forward as quickly as possible so remedy proceedings could start in the near future. Chairman Bailey reported on other issues involving the two authorities.

Under Electrical Power, power generation and revenue reports were given for FPA, FWR and KRSH. Also reported was final payment for the Peak Load Reduction Program (\$9325) and cost to date on the Friant II Hydro of \$37,000 for the FERC license amendment.

Under Groundwater Management Planning, it was reported that even though the grant is approved, OCID has not received the contract for DWR. The formation of an Advisory Committee was discussed and names submitted for consideration to serve on the committee.

Under Long Range Water Management Plan and consolidation of districts, Dennis Keller had furnished a copy of Assembly Bill 2067 which remove a condition that districts had to be formed under the same principal act for consolidation. This would be a benefit if Tri-Valley Water District and OCID were to consolidate. The first cut of the principles for consolidation are being drafted by Dennis Keller and are not ready for discussion at this time.

The Board then reviewed the Audit Proposals. After review, the Board tabled this matter for the next regular Board meeting to provide more time to evaluate the proposals.

With no further business to discuss, the Regular Board meeting was adjourned at 2:58 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 13, 2004. The Meeting was called to order at 11:55 A.M., with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President Henry A. Collin, III, Vice President David A. Brown Arlen D. Miller
Officers:	James C. Chandler Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Dennis Keller, Consultant
Absent:	Russell Katayama

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held September 8, 2004. Hearing none, he ordered the minutes approved as prepared.

Bills totaling \$382,254.99 were then discussed. After discussion, Director Brown offered a motion to approve the bills. The motion was seconded by Director Miller and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Water supply was then discussed. Water use for the month of September had increased over the trend that was occurring for the year. Current trending still shows adequate water supplies to complete the water year especially with the canal dewatering. Chairman Bailey reported on activities of CVPWA and Family Farm Alliance. Other related water issues were discussed.

The regular Board recessed at 1:45 P.M. to convene as the Board of Equalization for the noticed hearing. A discussion was held regarding parcel map changes taking place in Tulare County and railroad property sold to landowners in the District and now being farmed. The Board consensus was that the railroad property should be made a part of the District since, in all likely hood, it would be farmed as District land. In that no other person appeared before the Board, the BOE Hearing adjourned at 2:00 P.M. and the OCID Board reconvened for its regular meeting.

The net standby charges required for 2005 were then discussed. After discussion, Director Brown offered a motion to approve billing for \$2,255,550 for the fiscal year 2005. The motion was seconded by Director Collin and unanimously approved by the Board.

Under OCID Policy Issues, Manager Chandler informed the Board that the draft reserve fund policy was not sufficiently complete for Board discussion.

Audit Proposals were then discussed. After discussion, Director Miller offered a motion to engage the services of Mastro and Associates to perform the District audits for the next three years. The motion was seconded by Director Brown and unanimously approved by the Board.

Under District Boundary Reorganization, a discussion was held in consideration of starting a new annexation application to catch up on the acreage detached from the District including 20 acres currently proposed for detachment from the District with annexation into the City. Also discussed was the inclusion of railroad property and whether that acreage would be considered as a net gain the District without detachment of other property. The consensus of the Board was to start a new annexation application with inclusion of the railroad property which would be permitted as a net gain to the District.

Under Friant Water Users Authority and Friant Water Authority, the discussion again focused on Judge Karlton's ruling. The ruling has gotten the attention of water users throughout the State. Also discussed was Karlton's more recent order which is a start toward the remedy of his liability order. The ruling has also gotten the attention of "grass root" folks whose livelihood is heavily dependent on water from Friant Dam. Chairman Bailey reported on other issues involving the two authorities.

Under Electrical Power, power generation and revenue reports were given for FPA, FWR and KRSH

Under Groundwater Management Planning, it was reported that the DWR Grant contract had been received. There are issues that may be sensitive to landowners that may be willing to participate in a drought preparedness program. The Advisory Committee needed to get formed to address the issues as soon as possible. The contract would not be signed prior to the matters being discussed by both the Advisory Committee and the Board.

Under Long Range Water Management Plan and consolidation of districts, Dennis Keller appeared before the Board to discuss a conceptual proposal for a long-term sharing of resources between OCID, HVID and TVWD. Due to the complexity of the issues, the Board requested that a separate meeting be held to develop a better understanding of the issues. That meeting was scheduled for November 22, 2004.

With no further business to discuss, the Regular Board meeting was adjourned at 3:53 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, November 10, 2004. The Meeting was called to order at 11:43 A.M., with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President David A. Brown Arlen D. Miller Russell Katayama
Officers:	James C. Chandler Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Absent:	Henry A. Collin, III, Vice President

President Bailey opened the meeting and asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held October 13, 2004. Director Brown offered a motion to approve the minutes as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

Bills totaling \$548,614.90 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Brown and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Water usage for the year was then discussed. The District had a balance of 2926 acre-feet for carryover or frost protection if the canal is returned for service. Chairman Bailey reported on activities of CVPWA including the proposed budget for the coming year. Other water related issues were discussed.

Under Landowner Credits, Controller Ramirez reviewed calculations for potential landowner credits. After discussion, Director Katayama offered a motion to approve \$384,955.00 for credit back to landowners. The motion was seconded by Director Brown and unanimously approved by the Board.

A discussion was then held to consider how to handle the new State Water Resources Control Board fees. After discussion, Director Brown offered a motion to pay the fees under protest without joining the litigation. The motion was seconded by Director Miller and unanimously approved by the Board.

Termination of the Reclaimed Water Agreement with the City of Orange Cove was then discussed. The City has constructed a new water treatment facility to reclaim water to a secondary level which does not comply with the District's standards for reclaimed water. The City has also taken action to terminate the agreement at the District's request since the District will not longer be able to use water and by the fact the Regional Board is now putting fees on those permits. After discussion, Director Katayama offered a motion to terminate the agreement. The motion was seconded by Director Miller and approved by majority vote. Director Brown abstained from the vote.

Under OCID Policy Issues, a draft resolution was presented for discussion for setting policy for District's reserves. After discussion, Director Miller offered a motion to approve the policy as drafted. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under District Boundary Reorganization, Manager Chandler reported that Engineering Technician, Joe Lea, had made contact with the railroad's right-of-way engineer and it appeared we would be able to get legal descriptions for the rights-of-way through the District. A written request has been submitted but was expected to take several weeks to get the information which will make the annexation of the railroad property much easier for the District.

Under Friant Water Users Authority and Friant Water Authority, the discussion again focused on Judge Karlton's ruling. The Friant attorneys have prepared briefs to respond to Karlton's Order to prepare for remedy hearings. The Friant attorneys have also asked for an interlocutory appeal which is opposed by NRDC and may be denied by Karlton. Chairman Bailey reported on other issues involving the two authorities.

Under Electrical Power, power generation and revenue reports were given for FPA, FWR and KRSH. Comments had been received from the U. S. Bureau of Reclamation and the California Department of Fish and Game for the draft FERC Amendment application to include Friant II Hydro. The comments would be incorporated into the application for FERC's review.

Under Groundwater Management Planning, Director Miller reported on the two advisory committee meetings held and issues that were addressed. Consensus was reached in the second meeting that the District does need to use the Grant to pursue a Drought Preparedness Program to help landowners with water needs in dry-year conditions. The Board concurred with the recommendation and directed staff to execute the agreement with California Department of Water Resources.

Under Long Range Water Management Plan and consolidation of districts, Manager Chandler reminded the Board of the scheduled November 22, 2004 informational meeting which was to occur before continuing discussions on how to make work with Hills Valley and Tri-Valley districts.

With no further business to discuss, the Regular Board meeting was adjourned at 2:52 PM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, December 8, 2004. The Meeting was called to order at 8:00 A.M., with the following Directors and Officers present:

Directors:	Harvey A. Bailey, President David A. Brown Arlen D. Miller Russell Katayama
Officers:	James C. Chandler Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Absent:	Henry A. Collin, III, Vice President
Others:	Counsel Soares by Conference Phone

President Bailey called for election of officers. Director Katayama offered a motion to keep existing officers in place. The motion was seconded by Director Miller and unanimously approved by the Board.

The meeting was recessed at 8:05 AM to conduct the Board meeting for the Orange Cove Irrigation District Financial Corporation. The Financial Corporation BOD meeting adjourned at 8:15 AM and the Board reconvened for the regular OCID Board of Directors meeting.

President Bailey asked if there were any changes to the agenda. Hearing none, he ordered the agenda approved as prepared.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting held November 10, 2004. Hearing none, Chairman Bailey ordered the minutes approved as prepared.

Bills totaling \$292,781.19 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

The Monthly Report was then discussed. Controller Ramirez reported on the financial standing of the District and other related activities of the Accounting Department. Manager Chandler reported on various sessions held at the ACWA Conference. Various other water related issues were discussed.

A Closed Session was called at 8:40 AM to discuss pending litigation. Counsel Soares joined the meeting by conference phone. Chairman Bailey called the meeting out of Closed Session at 9:20 AM and reported that no action had been taken in Closed Session.

Under Friant Water Users Authority and Friant Water Authority, discussion focused on the litigation before Judge Karlton. Chairman Bailey reported on other issues involving the two authorities and the G-10 Group which was formed to mitigate potential adverse impacts to water users coming from Judge Karlton's ruling.

Under Electrical Power, power generation and revenue reports were given for FPA and FWR. It was also noted that FPA would hold a Board meeting December 14th. A tour would be held the afternoon of December 9th to review current maintenance work and future needs being for the plant. It was also noted that the FERC license amendment for Fishwater Hydro was ready for submittal to FERC.

The Board recessed from its regular meeting at 9:53 AM to conduct a joint hearing with the Hills Valley ID and Tri-Valley WD Boards of Directors for the planned update of the joint groundwater management plan. The hearing adjourned at 10:35 AM and the OCID Board returned to its regular meeting.

Under Groundwater Management Planning, a status report was given. The District had executed agreements with DWR for the grant and Pritchard and Provost Engineering Group to conduct the studies. P&P Engineering are moving quickly to get the studies underway.

Under Long Range Water Management Plan and consolidation of districts, the District is in the process of informational meeting which it wants to complete prior to negotiations with Hills Valley ID and Tri-Valley WD.

A discussion was then held to consider supporting the activities of the Pacific Legal Foundation and the California Farm Water Coalition. After discussion, the Board recognized the importance of both organization and offered to support one or both if staff could find items in the budget that could be cut to offset the cost.

With no further business to discuss, the Regular Board meeting was adjourned at 11:12 AM.

Harvey A. Bailey, President

James C. Chandler, Secretary

Minutes of the Hearing and joint meeting of the Boards of Directors of the Orange Cove Irrigation District, Hills Valley Irrigation District and Tri-Valley Water District held on Wednesday, December 8, 2004. The Hearing was publicly noticed to seek public input from persons interested in the groundwater planning efforts of the three districts. The Hearing was called to order at 10:00 A.M., with the following Directors and Officers present:

Orange Cove Irrigation District

Directors: Harvey A. Bailey, President
David A. Brown
Arlen D. Miller
Russell Katayama

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert T. Ramirez, Controller / Treasurer

Absent: Henry A. Collin, III, Vice President

Hills valley Irrigation District

Directors: Don Schroeder, President
Alan Corrin
Loren Booth

Officers: Dennis Keller, Manager-Engineer-Secretary-
Treasurer

Tri-Valley Water District

Directors: None present

Officers: Dennis Keller, Consulting Engineer

OCID Manager Chandler reported that OCID had received a grant from California Department of Water Resources to update the joint AB3030 Groundwater Management Plan to the current SB1938 standard. In addition, OCID would be developing a Drought Preparedness Plan that would be heavily reliant on an in lieu groundwater banking program. Additional monitoring wells would be added to the District's existing monitoring well program for collection of more data for better assessments of the programs effectiveness.

An advisory committee has been established to help with the plan development and development of an incentive based program for the in lieu banking program. The committee currently consists of six landowners in OCID that farm in areas with groundwater and Manager Chandler. Dennis Keller will represent Hills Valley ID and Tri-Valley WD on the committee. Other members may be added if needed. If the initial program development is successful, it will open opportunities for additional funding to implement the full program with the long-range goal of better serving the water user with a more reliable dry year water supply with less dependence on water purchases from the open market.

OCID requested confirmation that both Hills Valley ID and Tri-Valley WD wanted to continue as joint participants in the groundwater management planning effort. Hills Valley ID voted unanimously to continue its participation. Mr. Keller will ask the same of Tri-Valley WD at their next regular board of directors meeting.

No one from the general public appeared for the Hearing. With no further business to discuss, the Hearing was adjourned at 10:35 AM.

James C. Chandler, OCID Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, December 22, 2004. The Meeting was called to order at 8:03 AM, with the following Directors and Officers:

Directors: Harvey A. Bailey, President
Henry A. Collin, III, Vice President
David A. Brown
Arlen Miller
Russell Katayama

Officers: James C. Chandler
Engineer-Manager-Secretary
Robert Ramirez, Controller / Treasurer

Others: Counsel Soares by Conference Phone

Chairman Bailey called the meeting to order at 8:03 AM and announced that the meeting was called to discuss pending litigation with Counsel Soares. Chairman Bailey called for Closed Session at 8:05 AM.

At 10:35, Chairman Bailey called the meeting to open session and announced that no action had been taken in Closed Session.

With no further business to discuss, the Special meeting of the Board was adjourned at 10:37 AM.

Harvey A. Bailey, President

James C. Chandler, Secretary