

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, January 11, 2006. The Meeting was called to order at 11:40 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Public: Steve Dole, Landowner  
Walter Babbett, Landowner  
Colleen Carlson, Attorney

President Bailey asked if there were any changes to the agenda. Manager Roldan informed the Board that Steve Bradley had appeared in person yesterday to deliver a letter requesting detachment from the District. Manager Roldan recommended adding this as Item 13 on the agenda in the event the Board decides to take action. Director Collin offered a motion to approve the agenda with the proposed change. The motion was seconded by Director Brown and unanimously approved.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of December 13, 2005. After discussion, Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved.

Bills totaling \$658,647.12 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the deliveries within the District, the availability of Article 215 water and the scheduled winter maintenance. The Board was also informed of the availability of seminars to comply with the ethics training requirements of AB 1234. Other water related issues were discussed.

Under Water Rates and Rebates, the Board reviewed the latest water rate component costs for all delivery systems and the excess revenue calculation. After discussion and review of the 2006 estimated costs per system, Director Miller offered a motion to establish a new rate of \$77 per acre-foot, and maintain the other existing rates approved in 2005. The motion was seconded by Director Brown and unanimously approved by the Board. After discussion on the water rebate, Director Collin offered a motion to rebate \$12 per acre-foot on water used during Water Year 2005. The motion was seconded by Director Brown and unanimously approved by the Board.

Under FWUA/FWA Issues, Manager Roldan reported on the status of the settlement with NRDC, including the recent order to continue the stay in the litigation until February 7, 2006. It was also reported that downstream interests have shown considerable concern over the outcome of the settlement and its potential implications on them.

Under Electrical Power, a report on power generation, revenue and winter maintenance/construction was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan reported that, according to CHI West, the average annual generation for the Kings River Siphon Hydro facility is 1.7 million kWh, which translates to approximately \$10,000 per year for OCID based on the new payment structure and current PG&E rates. It was also reported that a Friant Power Authority Board meeting was scheduled for January 24, 2006, at 1:00pm.

Under Groundwater Management Planning Activities, Manager Roldan reported DWR had approved our request to eliminate the groundwater quality testing and add a landowner outreach program to facilitate the drought preparedness program. The educational materials for the outreach program are being prepared and a draft report on the pilot program is scheduled to be available for the next Board meeting.

Under Long Range Water Management Plan and Consolidation of Districts, the Board reviewed the latest draft of the consolidation agreement and provided comments. The Board will continue review of the document and expects to release it to the other parties for review after the next Board meeting.

Under Legal Counsel, the Board interviewed Colleen Carlson for potential future projects with the District.

Under Steve Bradley Detachment, the Board reviewed the letter delivered by Mr. Bradley and expressed interest in accommodating his request. The Board instructed Manager Roldan to review the request in accordance with the District's detachment policy and inform Mr. Bradley of his responsibility to continue payment of Standby Charges until the detachment is approved and finalized through both the LAFCO and USBR processes. Mr. Bradley will also be informed that other potential detachments and annexations will need to be researched and evaluated prior to committing to a schedule.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Monday, January 30, 2006. The Meeting was called to order at 9:05 AM, 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: John P. Roldan, Engineer-Manager-Secretary

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

Under USBR Grant Application, Manager Roldan informed the Board that a concrete sump at turnout 9 was in need of extensive repairs or replacement. The Board was asked to approve a resolution authorizing the Manager to apply for grant funding under the USBR Water Conservation Field Services Program to fund a portion of the construction cost. After discussion, Director Katayama offered a motion to approve the resolution. The motion was seconded by Director Collin and unanimously approved by the Board.

Under Water Rates and Rebates, the Board was asked to review the water rates and rebate again after it was discovered that the power cost components presented at the previous meeting were in need of revision. After discussion, Director Brown made a motion to set the 2006 water rates at the 2005 levels and to set the water rebate at \$10 per acre-foot of water used in 2005. The motion was seconded by Director Katayama and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 9:22 AM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, February 8, 2006. The Meeting was called to order at 9:07 AM, 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:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Dennis Keller, Consultant Michael Sexton, Attorney

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 of January, 2006, and the Special Board meeting of January 30, 2006. Hearing none, he ordered the minutes approved as prepared.

Bills totaling \$209,988.36 were then discussed. After discussion, Director Collin offered a motion to approve the bills. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under Consolidation of Districts, the Board reviewed the latest draft of the consolidation agreement. After discussion, Director Collin offered a motion to transmit the draft agreement to Doug Jensen, general counsel for Hills Valley Irrigation District and Tri-Valley Water District, with clarifying revisions to the Earnest Money section. The motion also included the approval of President Bailey, Manager Roldan and Counsel Sexton as lead negotiators. The motion was seconded by Director Brown and unanimously approved by the Board.

At 9:15 AM, a closed session was called with Counsel Sexton to discuss NRDC v. Rodgers. The Board returned to regular session at 10:19 AM wherein President Bailey announced that no reportable action had been taken.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the deliveries within the District, the current USBR allocation and the water supply forecast for the remainder of the year. The Board was also informed of the availability of seminars to comply with the ethics training requirements of AB 1234. Other water related issues were discussed.

Under FWUA/FWA Issues, Manager Roldan reported on the Governor's water bond package and the status of the place of use change being undertaken by the USBR around Millerton Lake.

Under Electrical Power, a report on power generation, revenue and winter maintenance/construction was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan also reported on the current status of the FERC amendment, the Friant Power Authority Board meeting and the Friant Power Authority's desire to initiate partnership discussions on new power generation facilities at the river outlets.

Under Groundwater Management Planning Activities, Manager Roldan reported that staff was ready to initiate landowner outreach in system 9 for a potential pilot groundwater recharge project. It was also reported that shallow groundwater monitoring wells would be installed in the near future in accordance with the scope of work for the DWR grant.

Under Turnout 9 Repair, Manager Roldan presented a bid for concrete joint repair at Turnout 9 from C&L Coatings, Inc. The bid was for five days of work at a cost not to exceed \$10,415. Manager Roldan noted that the anticipated duration of work is 3 days. After discussion, Director Miller offered a motion to approve the bid. The motion was seconded by Director Katayama and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 11:49 AM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Tuesday, March 7, 2006. The Meeting was called to order at 11:58 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: David Orth, Kings River Conservation District

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 of February 8, 2006. Hearing none, he ordered the minutes approved as prepared.

Bills totaling \$372,049.76 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR allocation, water supply forecast, potential transfers and exchanges, and the upcoming spring ACWA conference. Other water related issues were discussed.

Under FWUA/FWA Issues, Manager Roldan reported that the status conference for the NRDC v. Rodgers lawsuit had been continued until April 11, 2006, at 1:30pm. It was also reported that the Central Valley Project Improvement Act will undergo Congressional review to ascertain whether any of its environmental restoration goals had been met.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan presented financial and technical information from previous studies to the Board on the District's potential new hydroelectric facility at Friant Dam. The value of a potential partnership with the Friant Power Authority or any of its members was also discussed.

Under Groundwater Management Planning Activities, Manager Roldan informed the Board that staff was ready to initiate landowner outreach meetings in system 9 for the potential pilot groundwater recharge project. It was also reported that the installation of shallow groundwater monitoring wells in accordance with the AB303 grant scope of work would begin this week.

Under Consolidation of Districts, Manager Roldan reported that the draft agreement had been submitted to Doug Jensen, Tri-Valley WD and Hills Valley ID General Counsel, and he had distributed it to both Boards of Directors.

Under Temporary Water Service Contract, the Board considered the draft one-year contract with the USBR for temporary supplies of surplus water. After discussion, Director Katayama offered a motion to approve the contract. The motion was seconded by Director Miller and unanimously approved by the Board.

Under Valley Employers Association (VEA), the Board was advised of the benefits of membership in the VEA and the different levels of membership available. After discussion, Director Collin offered a motion to join the VEA under a Subscribing Membership. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under Finance Charges, the Board considered a minimum monthly administrative fee to help cover expenses incurred in the processing and handling of delinquent accounts. After discussing the merit of including the cost of labor in the administrative fee, Director Katayama offered a motion to limit the fee to \$1.00 per month on each delinquent account. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Investment Policy, the Board was advised that the District's current Investment Policy is in need of updating to provide investment flexibility similar to what exists in the State of California Investment Policy and to update the names of officers with investing authority under the policy. This issue was tabled until adequate research can be done by Staff to identify recommended revisions and potential investment opportunities.

Under Agricultural Waiver, David Orth presented the history and background on the Central Valley Regional Water Quality Control Board's Irrigated Lands Conditional Waiver Program and options for compliance. The issue was tabled until the next Board meeting to enable Staff to identify liability, financial and operational issues associated with the compliance options.

With no further business to discuss, the meeting was adjourned at 2:49 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Monday, March 13, 2006. The Meeting was called to order at 9:02 AM, 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: John P. Roldan, Engineer-Manager-Secretary

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

The Board then considered a CEQA categorical exemption for the construction of shallow groundwater monitoring wells within System 9 of the District. After discussion, Director Collin offered a motion to approve the Staff report and categorical exemption, and to file the required documents with the Fresno County Clerk's Office and the State of California Office of Planning and Research. The motion was seconded by Director Miller and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 9:17 AM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary



Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, April 12, 2006. The Meeting was called to order at 11:49 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

President Bailey asked if there were any changes to the agenda. Manager Roldan indicated that there would be no closed session. Director Miller offered a motion to approve the agenda with the deletion of the closed session. The motion was seconded by Director Brown and unanimously approved by the Board.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of March 7, 2006, and the Special Board meeting of March 13, 2006. Director Brown offered a motion to approve the minutes as prepared. The motion was seconded by Director Miller and unanimously approved.

Bills totaling \$302,237.51 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR allocation, water supply forecast, potential transfers and exchanges, the upcoming spring ACWA conference, the recent resignations of the Secretary of the Interior and USBR Commissioner, the likely selection of the District for a Water Conservation Field Service Program grant, and the USBR's recent reclassification of water delivered to parcels of five acres or less to municipal and industrial water in accordance with the District's water service contract. Other water related issues were discussed.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan discussed the recent repairs needed on the Fishwater Hydro wicket gate operating arm. The Board was also informed that the FERC Amendment for the proposed Friant II Hydro facility had been submitted.

Under Groundwater Management Planning Activities, Manager Roldan informed the Board that three landowner outreach meetings had been conducted to determine if there was interest in the District's proposed in-lieu groundwater recharge pilot program. Follow-up contacts will be made with meeting participants after they have a chance to digest the information that was presented.

Under Consolidation of Districts, Manager Roldan presented spreadsheets prepared by John Colbert, Tri-Valley Water District President, representing their understanding of the draft agreement and the acreage they intend to consider for consolidation. Due to the late submittal of the spreadsheets, they would be subject to further review and discussion at the next Board meeting. It was reported that the Hills Valley Irrigation District Board has not reviewed the draft agreement at this time.

Under Investment Policy, the Board again tabled this issue to allow Staff to determine whether special project investments, such as hydroelectric facilities, warranted inclusion in the investment policy.

Under Agricultural Waiver, the Board considered regulatory, liability, financial and operational issues associated with the District's active engagement in the Southern San Joaquin Valley Water Quality Coalition (Coalition) on behalf of its landowners. After discussion, it was determined that it would not be in the best interest of the District or its landowners to engage in the Coalition.

Under Traveling Trash Screens, a bid from International Water Screens was presented to the Board for preliminary consideration. After discussion, it was determined that additional estimates from other contractors and additional information from districts already using their screens should be gathered before a decision is made. Grant funding will also be sought to finance the screens.

Under Office Maintenance Services, the Board considered proposals for office floor stripping and monthly maintenance services. After discussion, Director Miller offered a motion to select Environment Control of Visalia at \$595.00 for the initial floor stripping and \$245 per month for the routine janitorial services. The motion was seconded by Director Katayama and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, May 3, 2006. The Meeting was called to order at 11:49 AM, 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:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	James C. Chandler

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 of April 12, 2006. Director Katayama offered a motion to approve the minutes as prepared. The motion was seconded by Director Brown and unanimously approved by the Board.

Bills totaling \$407,537.71 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.

Under Public Comment, Mr. Chandler provided the Board with an update on his retirement activities.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR allocation, water supply forecast, potential transfers and exchanges, the upcoming spring ACWA conference and available AB 1234 ethics training. Other water related issues were discussed.

Under Reduced Water Rates, Manager Roldan informed the Board that the water the District would purchase this year from the USBR would be at a reduced rate due to the wet hydrologic conditions and the exchange agreement with Lower Tule River Irrigation District. It was the consensus of the Board to rebate the savings back to the landowners similar to last year.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. The Board then considered a proposed Power Purchase Agreement (PPA) between the District and PG&E on the Fishwater Release and Kings River Hydroelectric Projects. After discussion, Director Brown offered a motion to approve the PPA for both projects. The motion was seconded by Director Katayama and unanimously approved by the Board. The Board then considered the extension of a water right permit for the proposed Friant II Hydroelectric Project. It was the consensus of the Board to apply for a ten-year extension.

Under Groundwater Management Planning Activities, Manager Roldan informed the Board of recent follow-up calls with landowners after the landowner outreach meetings. Manager Roldan was instructed to provide notes from the outreach meetings and follow-up calls to assist the Board in deciding on the viability of a pilot program.

Under Consolidation of Districts, Manager Roldan informed the Board that Hills Valley ID and Tri-Valley WD met yesterday to discuss the draft agreement, although no information or response has been provided to the District at this time.

Under Long-Term Water Management Plan, Manager Roldan discussed potential dry year water management programs with other districts. It was the consensus of the Board to further investigate these programs to determine their benefit to the District.

Under Request for Detachment, Manager Roldan informed the Board that Mr. Steve Bradley's detachment request was being reviewed in accordance with the policy on annexation and detachments to the District as set forth in Resolution 2005-03. To comply with the policy, it is necessary to identify equivalent lands seeking annexation. Initial attempts at this have been unsuccessful, but additional candidates have been identified.

Under Investment Policy, the Board considered draft Resolution 2006-3 modifying the investment policy outlined in Resolution 2-96. After discussion, Director Brown offered a motion to approve Resolution 2006-3. The motion was seconded by Director Collin and unanimously approved by the Board.

Under 2005 Audit, Controller Ramirez reported that Joe Mastro, CPA will present the 2005 audit report at the regular June Board meeting.

Under Report of Action Taken in Closed Session, Manager Roldan read a statement outlining a closed session decision made by the Board on June 8, 2005, to approve a tentative settlement of Wileman Bros. & Elliott, et al. v. The Orange Cove Irrigation District, et al. (Fresno County Superior Court No. 04CECG03237). The essential terms were that plaintiffs' lands would be detached from the District, and plaintiffs would pay to the District \$25,000.00. The case would be dismissed. The settlement was conditioned upon LAFCO approval of the detachment. On February 8, 2006, LAFCO approved the detachment. On March 15, 2006, the settlement amount was paid to the District. On March 17, 2006, plaintiffs dismissed their case. The written settlement agreement is available at the District office for inspection.

With no further business to discuss, the meeting was adjourned at 2:25 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday, June 9, 2006. The Meeting was called to order at 12:34 PM, with the following Directors and Officers present:

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

Officers: John P. Roldan, Engineer-Manager-Secretary

Others: Michael V. Sexton, General Counsel

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

At 12:40 PM, the Board met in closed session with Counsel Sexton to discuss NRDC v. Rodgers. The Board returned to regular session at 2:28 PM where it was announced that no reportable action had been taken during closed session.

With no further business to discuss, the meeting was adjourned at 2:30 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, June 14, 2006. The Meeting was called to order at 11:40 AM, 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:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Joe Mastro, Auditor Michael V. Sexton, Counsel (by phone)

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 of May 3, 2006. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Miller and unanimously approved by the Board.

Bills totaling \$416,412.96 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR allocation, water supply forecast and available AB 1234 ethics training. President Bailey and Director Collin reported on the May ACWA convention in Monterey. Other water related issues were discussed.

At 12:00 PM, a public hearing was held to obtain comments from the public prior to the Board's adoption of an updated Groundwater Management Plan for the District, Tri-Valley Water District and Hills Valley Irrigation District. With no public present at the hearing, Director Brown offered a motion to approve Resolution 2006-04 adopting the updated Groundwater Management Plan. The motion was seconded by Director Katayama and unanimously approved by the Board. The public hearing was concluded at 12:05 PM.

Under Groundwater Management Planning Activities, Manager Roldan presented meeting notes from all landowner outreach meetings and summary notes from all follow-up landowner phone calls. After discussion, it was the consensus of the Board to suspend the proposed in-District, in-lieu groundwater banking pilot project until other proposed water management alternatives have been investigated. At such time, the Board will reevaluate all alternatives to determine the best alternative for the District.

The 2005 Audit Report was then presented. Joe Mastro, Certified Public Accountant, appeared before the Board to review his audit of the District and affirm the District's compliance with GASB Statement No. 34 and any other newly required accounting standards. Mr. Mastro attested that the audited financial statements present fairly the District's financial position for the year ended December 31, 2005.

At 1:17 PM, Manager Roldan and Controller Ramirez were excused from the Board room to allow Auditor Mastro to comply with Statement on Auditing Standards No. 99 and review with the Board its accounting oversight responsibilities.

At 1:33 PM, Manager Roldan and Controller Ramirez returned to the Board room to further discuss the audit report. After discussion, Director Collin offered a motion to accept the audit report as submitted. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority, Fishwater Hydro and Kings River Siphon Hydro. A response to a memorandum from the Friant Power Authority regarding the District's proposed Friant II Hydro project was discussed. The Board then considered incorporating the time extension of a water right permit for the proposed Friant II project into the existing FERC Amendment contract with Provost & Pritchard Engineering Group (P&P). Director Collin offered a motion to modify the scope of work with P&P to accommodate the time extension of the permit. The motion was seconded by Director Miller and unanimously approved by the Board.

Under Consolidation of Districts, Manager Roldan informed the Board that there has been no response as of yet from Hills Valley ID and Tri-Valley WD. The Board directed Manager Roldan to send a letter to Doug Jensen requesting an update.

Under Long-Term Water Management Plan, Manager Roldan presented a list of potential water management partnerships with outside districts and ranked them based on ease of implementation. The long-term plan for utilization of the District's Mill Creek supplies was also discussed.

Under Network/Accounting Software Upgrade, the Board was advised of plans to upgrade the computer network and accounting software package. The Board also considered a proposal to purchase a laptop computer for Manager Roldan. Director Katayama offered a motion to purchase the laptop. The motion was seconded by Director Collin and unanimously approved by the Board.

Under Personnel, a discussion was held to consider employee wage/benefits adjustments. A proposed Grade/Step scale was presented to the Board for consideration. Each job classification would be assigned a grade with six steps. Management would have the authorization to increase an employee's step within a Board-established grade based upon performance evaluations.

After discussion, Director Katayama offered a motion to approve a salary/benefit adjustment, effective July 1, 2006, as follows:

	<u>From</u>	<u>To</u>
Field Operations Staff	\$25.09/Hr.	\$25.33/Hr.*
Engineering Technician	\$21.75/Hr.	\$22.98/Hr.
Administrative Clerk	\$15.00/Hr.	\$15.55/Hr.
Accounting Clerk	\$15.00/Hr.	\$15.55/Hr.
Controller	\$6,250/Mo.	\$6,178/Mo.**

\* The Field Operations Staff is provided Standby pay at a rate of \$0.35/Hr. on weekdays, \$0.70/Hr. on weekends and \$1.05/Hr. on holidays.

\*\* The Controller is authorized to use a company vehicle for commuting purposes.

The motion also included the approval of the proposed Grade/Step scale. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Closed Session, the Board met with Counsel Sexton to discuss NRDC v. Rodgers. The Board returned to regular session and President Bailey announced that no reportable action had been taken.

With no further business to discuss, the meeting was adjourned at 3:30 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, July 12, 2006. The Meeting was called to order at 11:44 AM, 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:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Michael V. Sexton, Counsel (by phone)

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 Special Board meeting of June 9, 2006, or the Regular Board meeting of June, 14, 2006. He ordered the minutes approved with the clarification that the standby rate for the Field Operations Staff noted in the June 14<sup>th</sup> minutes is payment for being on-call.

Bills totaling \$378,737.67 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the revised USBR declaration, water supply forecast, potential transfer of up to 4,000 acre-feet of water and reminded the Board of the scheduled AB 1234 ethics training later this week. Other water related issues were discussed.

Under Valley Water Alliance (VWA), the Board considered the request from VWA to assist in obtaining contributions from the District's consultants and vendors. The Board directed Manager Roldan to request a letter from the VWA describing last year's accomplishments and the goals for the upcoming year in order to facilitate the fundraising process.

At 1:03 PM, the Board met in closed session with Counsel Sexton to discuss NRDC v. Rodgers. The Board returned to regular session at 1:45 PM where it was announced that the Board had given direction to staff.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that the Fishwater plant was experiencing problems with high stator temperatures and that staff would be monitoring the situation. Director Brown and Manager Roldan reported on the recent FPA Board meeting. It was reported that the FPA General Manager's concern over the District's proposed Friant II plant was discussed and the minutes from the previous FPA Board meeting were corrected to reflect the District's willingness to entertain discussion on a potential partnership with FPA. The status of the proposed Friant II plant was then discussed. It was reported that the CEQA documentation for the 30 cfs water right extension was progressing and is scheduled to be completed before the end of the year.

Under Consolidation of Districts, Manager Roldan informed the Board that Tri-Valley WD is attempting to set up a meeting with Ernest Conant who is now representing TVWD in the consolidation negotiations. It was reported that TVWD was asked to provide a written counter offer to the District. The Board directed Manager Roldan to review the counter offer with Dennis Keller prior to involving Counsel Sexton in order to determine whether the counter offer is worthy of further consideration. It was also reported that it does not appear likely that Hills Valley ID will respond in the near future.



Under Long-Term Water Management Plan, Manager Roldan reported on the status of discussions with potential water management partners. Recent discussions with the previous owners of the District's Mill Creek water rights were reported to the Board. Manager Roldan was directed to investigate the water needs of various northern California cities to determine if there is a market for our water rights. With the City of Orange Cove proposing multiple annexation projects, the Board also reviewed an analysis of the water supply impacts of its detachment and annexation policy.

Under Network Upgrade, the Board was presented with a plan to upgrade the computer network system. Director Brown offered a motion to approve up to \$10,000 for the upgrade of the network system. The motion was seconded by Director Katayama and unanimously approved by the Board.

Under Dump Truck and Trailer, the Board was informed of the need for a dump truck to haul gravel to pipeline repair sites and a trailer to haul the District's backhoe. The Board was given two quotes for a used dump truck to consider. The Board directed Manager Roldan to perform an analysis of the benefits of using rental equipment as opposed to District equipment.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Monday, July 31, 2006. The Meeting was called to order at 9:33 AM, 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: John P. Roldan, Engineer-Manager-Secretary

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

Under Personnel, Manager Roldan recommended the addition of a Field Operations Supervisor position to assist with administrative and supervisory duties, as well as provide additional support to the Field Operations Staff during times of emergency, high work load and personal leave. Based on the job description and the ACWA salary survey, it was recommended that the position be established at the Grade 14 level as a Fair Labor Standards Act non-exempt position. After discussion, Director Katayama offered a motion to create the new Field Operations Supervisor position in accordance with the recommendation and immediately attempt to fill the new vacancy. The motion was seconded by Director Miller and unanimously approved by the Board.

Under System Maintenance, the Board was apprised of the need to replace the variable frequency drive (VFD) at System 13 which had become overloaded due to the addition of the reservoir. The replaced VFD would serve as a backup for multiple systems since the lead time on new VFD's is approximately two weeks. Manager Roldan will provide a proposal for the Board to consider at the next Board meeting.

With no further business to discuss, the meeting was adjourned at 10:14 AM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, August 9, 2006. The Meeting was called to order at 11:43 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Dennis Keller, Consultant

President Bailey asked if there were any changes to the agenda. Manager Roldan recommended the addition of a discussion on the Field Operations Staff job description and light duty due to Mr. Art Pipkin's recent notification that his doctor will release him for light duty on August 14, 2006. Director Collin offered a motion to add the item to the agenda. The motion was seconded by Director Brown and unanimously approved.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of July 12, 2006, or the Special Board meeting of July 31, 2006. Director Miller offered a motion to approve the minutes as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

Bills totaling \$499,540.96 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the revised USBR declaration, water supply forecast, Lower Tule River ID exchange, potential transfer of up to 4,500 acre-feet of water and the Valley Water Alliance's request for help in fundraising. Other water related issues were discussed.

Under Consolidation of Districts, Manager Roldan and Dennis Keller reviewed the counter proposal from TVWD with the Board. It was noted that the document submitted by TVWD was not a counter proposal, but rather a list of complaints about the draft agreement. After further discussion, the Board directed Manager Roldan to respond to TVWD's submittal with a letter advising them that the scheduled meeting was postponed until they provide a counter proposal with suggested alternatives to the deal points outlined in the draft agreement. Manager Roldan was also directed to inform TVWD that time is of the essence since the District is currently pursuing other water management alternatives.

Under Long-Term Water Management Plan, Manager Roldan and Dennis Keller informed the Board of recent efforts to secure dry year supplies. Manager Roldan was directed to have Counsel Meith revise the Mill Creek water right purchase agreements to provide a draft document for discussion with the sellers.

Under Landowner Issue, the Board was informed that Mr. Dean Parento, OCID landowner, was delinquent with his water payment. Mr. Parento claims the water usage was a result of vandalism; however, Item 6(c) of the District Rules and Regulations for Water Deliveries states that the landowner is responsible for all water delivered or spilled through the turnout. Item 1(c) also stipulates unpaid or delinquent water charges will become a lien against the landowner's property. Mr. Parento was invited to attend the Board meeting in person or by telephone to discuss this matter with the Board. Although Mr. Parento indicated he would participate by phone, he did not call. After discussion, the consensus of the Board was not to deviate from District policy.

Under Property Liens and Assessment Sales, Controller Ramirez reviewed the delinquent accounts and draft Resolution No. 2006-07 with the Board. After discussion, Director Collin offered a motion to approve Resolution No. 2006-07 and to record certificates of lien and/or sale on all accounts that remain delinquent after the final deadline. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that the stator temperature problems experienced by the Fishwater plant in July were due to poor power quality provided by PG&E during the recent heat wave. The schedule for the CEQA and State Water Resources Control Board documentation for the 30 cfs water right extension was reviewed.

Under Groundwater Management Planning Activities, the Board was informed that the AB303 study was complete. A list of accomplishments from the AB303 study was reviewed by the Board.

Under Accounting/Computer Software Upgrade, the Board reviewed quotes to upgrade the accounting and computer software programs. Director Katayama offered a motion to approve the PCS quote of \$6,541.87 to upgrade from Real World software to Passport software, and approve the Dell quote of \$2,107.35 to upgrade from Microsoft Office 2000 software to Microsoft Office 2003 software. The motion was seconded by Director Miller and unanimously approved by the Board.

Under System Maintenance, the Board reviewed a quote from Concepts in Controls to upgrade the VFD at System 13 from a 150 horsepower unit to a 200 horsepower unit. The upgrade is needed to reduce the number of faults that occur due to the increased load on the system from the addition of the reservoir. The existing 150 unit will be kept as a spare in the event of emergency failures on other systems. Manager Roldan informed the Board that a more comprehensive backup plan is being formulated, so no action is needed at this time.

Under Field Operations Staff Job Description and Light Duty, the Board was informed that Mr. Art Pipkin was released by his doctor to light duty as of August 14, 2006. After discussion, Director Collin offered a motion to approve the Field Operations Staff job description and light duty for Mr. Pipkin for no more than 60 days at full pay pending further clarification from the doctor on which portions of the job description would be considered light duty. The motion was seconded by Director Katayama and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 3:19 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, August 23, 2006. The Meeting was called to order at 9:09 AM, 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 (on phone)

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller-Treasurer

Others: Dennis Keller, Consultant (on phone)

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

At 9:12 AM, the Board met in closed session to review and discuss Counsel Sexton's memorandum on NRDC v. Rodgers. The Board returned to regular session at 9:20 AM where it was announced that the Board had given direction to staff.

Under Consolidation of Districts, the Board reviewed Tri-Valley Water District's counter proposal that was recently submitted. After discussion, Manager Roldan and Dennis Keller were directed to formulate a draft response to the TVWD counter proposal.

With no further business to discuss, the meeting was adjourned at 9:58 AM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, September 13, 2006. The Meeting was called to order at 11:39 AM, with the following Directors and Officers present:

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

Officers: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

Others: Dennis Keller, Consultant

Vice President Collin asked if there were any changes to the agenda. Director Katayama offered a motion to add an item to discuss the appropriate acknowledgment of the service of James O. Orlopp to the District. The motion was seconded by Director Brown and unanimously approved by the Board.

Vice President Collin then asked if there were any errors or omissions to the minutes for the Regular Board meeting of August 9, 2006, or the Special Board meeting of August 23, 2006. Hearing none, he ordered both sets of minutes approved as prepared.

Bills totaling \$388,368.34 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the current USBR declaration, the status of the Regional Water Quality Control Board's agricultural waiver, and the status of the search for candidates for the Field Operations Supervisor position. Other water related issues were discussed.

The regular Board recessed at 1:27 PM to convene as the Board of Equalization for the noticed hearing. On a call for election of officers, Director Brown offered a motion to retain Harvey A. Bailey as President and appoint Henry A. Collin, III as Vice President. The motion was seconded by Director Katayama and unanimously approved by the Board. In that no other person appeared before the Board, the Board of Equalization hearing adjourned at 1:31 PM and the OCID Board reconvened for its regular meeting.

Under Consolidation of Districts, Manager Roldan and Dennis Keller reviewed the District's draft response to the counter proposal from TVWD with the Board. After discussion, it was the consensus of the Board to send the response to TVWD.

Under Long-Term Water Management Plan, Manager Roldan and Dennis Keller informed the Board of recent efforts to secure dry year supplies. The Board then discussed the effect the detachment policy will have on future water supply. Staff was directed to prepare an analysis of the financial impacts of various detachment policy alternatives for the next Board meeting.

Under Adoption of Revised CEQA Guidelines, Director Miller offered a motion to approve the guidelines as revised by Counsel Sexton. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that a draft Negative Declaration had been prepared and publicly noticed for the extension of the District's 30 cfs non-consumptive water right.

Under Draft 2007 Budget, Controller Ramirez reviewed the Budget Objectives with the Board and informed them that the draft budget would be ready for review at the next Board meeting.

Under Landowner Interest in Prepayment, the Board was asked if Staff should solicit landowner interest in prepaying the 1996 Certificates of Participation this year. It was the consensus of the Board to wait until next year to solicit interest by mail when the prepayment penalty is removed. However, any landowners who request to prepay this year will be allowed to prepay in accordance with the prepayment procedures.

Under Safe Place Program, Manager Roldan informed the Board that the District has been invited to participate in a community safety program being implemented by Citrus Middle School. After discussion, the Board directed Manager Roldan to determine if Staff is interested and willing to participate and if Counsel has any liability concerns.

Under Acknowledgement of James O. Orlopp, the Board discussed the appropriate acknowledgement of Mr. Orlopp for his service to the District as a member of the Board of Directors. Mr. Orlopp died on September 7, 2006. Director Katayama offered a motion to donate \$100.00 to the Society for Progressive Supranuclear Palsy in accordance with the family's wishes. The motion was seconded by Director Brown and unanimously approved by the Board.

With no further business to discuss, the meeting was adjourned at 3:15 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, October 11, 2006. The Meeting was called to order at 11:40 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

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 of September 13, 2006. Director Collin offered a motion to approve the minutes as prepared. The motion was seconded by Director Miller and unanimously approved by the Board.

Bills totaling \$620,222.40 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.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the District's remaining water supply for contract year 2006. The Board directed Manager Roldan to investigate the terms of previous banking arrangements. Other water related issues were discussed.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that the recently executed power purchase agreements with PG&E had taken effect for the Fishwater and Kings River Siphon projects. At 12:00 PM, a public hearing was held to hear all comments from the public on the draft Negative Declaration that had been prepared and publicly noticed for the extension of the District's 30 cfs non-consumptive water right. Written comments from the Department of Water Resources and California Regional Water Quality Control Board were presented to the Board. With no public present, Director Collin offered a motion approving the Negative Declaration and directing Staff to complete the environmental review process. The motion was seconded by Director Brown and unanimously approved by the Board. The hearing was closed at 12:05 PM.

Under Consolidation of Districts, Manager Roldan reviewed the District's recent response to the counter proposal from TVWD with the Board. TVWD's response to the one remaining unresolved item, responsibility for increases in the Restoration Fund charges, was presented to the Board for consideration. Due to the late arrival of this response, Manager Roldan recommended tabling the issue to the following Board meeting when a formal analysis could be provided. It was the consensus of the Board to table the issue.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that Tulare ID has shown interest in pursuing a potential water management partnership. With regard to the District's Mill Creek water rights, it was announced that the Board may enter into real property negotiations and will discuss the price and terms in closed session. President Bailey, Vice President Collin and Manager Roldan were named as negotiators in this effort. The other parties potentially involved in the negotiations were identified as Tim Smith, John Patrick, Los Molinos Mutual Water Company and other parties as opportunities arise. The Board then discussed the effect the District's detachment policy will have on future water supply. Manager Roldan informed the Board that the City of Orange Cove's most recent LAFCO application had been conditioned to include payment of the long-term debt on the property that was proposed to be detached from the District and annexed into the City, thus providing some level of flexibility in terms of the District's need to immediately replace the detaching property.



Under Draft 2007 Budget, Controller Ramirez reviewed the Budget with the Board. The Board directed Staff to provide figures from previous years and provide the average acre-foot cost of water based on the delivery of alternate amounts of the District's contract supply.

Under 5-Year Capital Budget, Manager Roldan reviewed the revised budget with the Board and asked for approval of selected projects. After discussion, Director Collin offered a motion to approve the replacement of the Lincoln Avenue pipeline crossing for \$45,675, the variable frequency drive at turnout 13 for \$24,668, and a new vehicle and computer for the Field Operations Supervisor at \$12,600 and \$1,800 respectively. The motion was seconded by Director Miller and unanimously approved by the Board.

At 3:20 PM, the Board met in closed session to discuss NRDC v. Rodgers and the potential Mill Creek water right real property negotiations. The Board returned to open session at 3:40 PM and announced that no reportable action had been taken.

Under Special Activity Agreement, Manager Roldan informed the Board of an opportunity to participate in a regional water management plan with other Friant Districts. The plan is partially funded by a grant from the USBR and will satisfy a large portion of the water management plan reporting requirements of the USBR. It was the consensus of the Board to participate and pay the District's portion of the overall cost which was estimated at \$1,500.

With no further business to discuss, the meeting was adjourned at 3:49 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, November 1, 2006. The Meeting was called to order at 11:49 AM, 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: John P. Roldan, Engineer-Manager-Secretary  
Robert T. Ramirez, Controller / Treasurer

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 of October 11, 2006. Director Brown indicated that the minutes under the 5-Year Capital Budget agenda item were incomplete. Director Brown offered a motion to correct the minutes by adding "The motion was seconded by Director Miller and unanimously approved by the Board" to the end of the paragraph. The motion was seconded by Director Miller and unanimously approved by the Board.

Bills totaling \$388,572.64 were then discussed. After discussion, Director Miller offered a motion to approve the bills. The motion was seconded by Director Collin and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District and activities of the accounting department. Manager Roldan reported on the District's remaining water supply for contract year 2006 and on his investigation into the terms of previous banking arrangements. Other water related issues were discussed.

Under FWUA/FWA Issues, the Board was informed of potential additional Metropolitan Water District Partnership principles being circulated for review and a recent tour of the Temperance Flat dam site with MWD Directors and Staff.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that the CEQA documentation for the time extension of the District's 30 cfs non-consumptive water right was complete. State Water Resource Control Board forms will be filed by the end of the year to complete the time extension process. Manager Roldan also informed the Board that the District's FERC license amendment for the Friant II powerplant had been finalized and that a consultant meeting was being scheduled to determine the appropriate next steps.

Under Consolidation of Districts, Manager Roldan reviewed the analysis of TVWD's proposal on the responsibility for increases in the Restoration Fund charges that had been initially presented to the Board for consideration at the previous Board meeting. After discussion, it was the consensus of the Board to accept Alternative 1 of TVWD's proposal with one exception; the Board proposed increasing the cap on TVWD's contribution to the District's Restoration Fund charges from \$3.85 per acre-foot to \$4.24 per acre-foot on up to 33,200 acre-feet of the District's delivered Class 1 supply.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that a meeting with the Porterville Irrigation District had been scheduled to discuss potential water management partnerships. The Board then discussed potential revisions to the District's detachment policy in light of the NRDC settlement.

Under Draft 2007 Budget, Controller Ramirez reviewed the Budget with the Board. After discussion, Director Katayama offered a motion to approve the budget with the following changes: Legal expense budget change from \$60,000 to \$35,000 and Consulting Engineers expense budget change from \$2,500 to \$17,500. The motion was seconded by Director Brown and unanimously approved.

Under 5-Year Capital Budget, Manager Roldan reviewed the revised budget with the Board and asked for approval of selected projects. After discussion, and based on the time-sensitive nature of both projects, Director Collin offered a motion to approve the revised quote for the replacement of the Lincoln Avenue pipeline crossing for \$52,748 and the discontinued spare Toshiba SCADA parts for \$1,550. The motion was seconded by Director Miller and unanimously approved by the Board.

Under NRDC v. Rodgers, it was announced that a settlement had been reached on the subject litigation and the Court had issued an order approving the stipulation of settlement.

Under Interim Arbitrage Rebate Report, Controller Ramirez presented the report to the Board. After discussion, Director Collin offered a motion to approve the report as presented. The motion was seconded by Director Brown and unanimously approved by the Board.

At 3:10 PM, the Board met in closed session to discuss Mill Creek water right real property negotiations. The Board returned to open session at 3:26 PM and announced that no reportable action had been taken.

With no further business to discuss, the meeting was adjourned at 3:28 PM.

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday, December 13, 2006. The Meeting was called to order at 11:48 AM, 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:	John P. Roldan, Engineer-Manager-Secretary Robert T. Ramirez, Controller / Treasurer
Others:	Matt Hobbs, Field Operations Supervisor

President Bailey asked if there were any changes to the agenda. Director Miller offered a motion to approve the agenda as prepared. The motion was seconded by Director Katayama and unanimously approved by the Board.

President Bailey then asked if there were any errors or omissions to the minutes for the Regular Board meeting of November 1, 2006. Director Collin indicated that the minutes under the 5-Year Capital Budget agenda item were incomplete. Director Miller offered a motion to correct the minutes by adding "The motion was seconded by Director Miller and unanimously approved by the Board" to the end of the paragraph. The motion was seconded by Director Collin and unanimously approved by the Board.

Bills totaling \$593,270.68 were then discussed. After discussion, Director Katayama offered a motion to approve the bills. The motion was seconded by Director Miller and unanimously approved by the Board.

Under the Monthly Report, Controller Ramirez reported on the financial standing of the District, the new ACWA Health Plan premiums, and activities of the accounting department. Manager Roldan reported on the District's proposed water transfers and the remaining water supply for contract year 2006. Director Collin and Manager Roldan reported to the Board on the meetings and seminars of the ACWA fall conference. Landowner and other water related issues were also discussed.

Under Draft Legislation, the Board was informed of draft legislation by Congressman Nunes which would conflict with the San Joaquin River settlement. After discussion, it was the consensus of the Board to send Congressman Nunes a letter requesting his full support of the settlement.

Under Electrical Power, a report on power generation and revenue was given for Friant Power Authority (FPA), Fishwater Hydro and Kings River Siphon Hydro. Manager Roldan informed the Board that the State Water Resources Control Board forms and CEQA documentation for the time extension of the District's 30 cfs non-consumptive water right were complete and would be sent out later this week. Manager Roldan also informed the Board that the USBR had requested a rehearing of the District's recently awarded FERC license amendment for the Friant II power plant. Manager Roldan and Counsel Meith are currently working with the USBR to determine if there is a solution to this issue that does not require a rehearing.

Under Consolidation of Districts, Manager Roldan informed the Board that he had not heard from John Colbert regarding our counter offer on TVWD's responsibility for the Friant Restoration Charges. Manager Roldan will follow up on this item.

Under Long-Term Water Management Plan, Manager Roldan informed the Board that the Tulare Irrigation District (TID) Board had reviewed a draft water management partnership framework that he had prepared. The TID Board appears to be open to further discussion. A meeting was held with Porterville Irrigation District to discuss the framework of another potential water management partnership. The two potential partnerships could be mutually exclusive or could be combined into one larger water management program. The Board then reviewed the draft detachment/annexation analysis of the TVWD Consolidation/City

of Orange Cove Detachment project. The Board then considered a request from the City of Orange Cove to reinitiate the delivery of reclaimed water. Due to previous water quality issues, the Board was hesitant to entertain the proposal at this time.

Under 5-Year Capital Budget, Manager Roldan reviewed the revised budget with the Board and asked for approval of selected projects. After discussion, Director Collin offered a motion to approve up to \$24,017.35 for the replacement of the pump and motor at System 3 with the understanding that an attempt will be made to secure two additional bids in the hope of lowering the project cost. The motion was seconded by Director Brown and unanimously approved by the Board.

Under Draft OCID Rules and Regulations, the Board began review of the draft 2007 Rules and Regulations. The Board will consider approval of the draft document at the next regular meeting.

At 2:30 PM, the Board met in closed session to discuss the Mill Creek water right real property negotiations and the performance evaluation of the Engineer-Manager. The Board returned to open session at 2:55 PM and announced that no reportable action had been taken.

Under Resolution Approving Amendments to District's Long-Term Water Service Contract, the Board reviewed draft Resolution 2006-08 and the proposed amendment to the contract. After discussion, Director Miller offered a motion to approve Resolution 2006-08. The motion was seconded by Director Katayama and unanimously approved by the Board.

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

---

Harvey A. Bailey, President

---

John P. Roldan, Secretary