

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday January 13, 2021. Chairman Bailey called the meeting to order at 11:58 A.M., with the following Directors and Officers present:

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

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

Public: None

**1. Call to order**

Chairman Bailey called the meeting to order at 11:58 A.M., with a quorum of Directors present.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

None

**4. Consent Calendar**

*Director Katayama motioned, and Director Miller seconded the motion to approve the November 2020 Draft minutes for both the Regular and Special Meetings.*

*There were no Opt-Out requests completed in the last two months, however Controller Ramirez noted there are three requests in-process. The three requests conform to the Board Policy that the acreage be not more than 5 acres.*

*The Board voted unanimously in favor of the noted motion and second approving the draft November meeting minutes.*

**5. Warrants**

Controller Ramirez went through the bills for the period November 5, 2020 through January 8, 2021 totaling \$794,855.41 including a discount of \$24.06. There were general questions on the expenses, including those to the State Water Resource Control Board for the water right fees associated with the KRSH. There were also questions regarding the legal fees for BBS, specifically, regarding status and future cost expectations. Following a discussion on these points, *Director Katayama motioned and Director Collin, III seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.*

**6. Treasurer's Report**

Controller Ramirez covered Items A through J of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries for the year to date of 31,400 acre feet, representing 80.10% of Contract. With a carryover of 4,290 acre feet remaining, the total available supply to growers in the District for the current Contract Year was 91.05%. The Reclamation allocation for the current Contract Year remains at 65%.

The District's asset balance within LAIF was discussed regarding the potential for water user rebates. Manager Morrissey noted that by next month's meeting, there should be additional information on imposition of costs to the District by the FWA in order to pay for the fix of the FKC due to damage in the subsided area, notwithstanding the fact that the District does not directly benefit from this fix.

The near-term funds for this expenditure from the District is expected to be in the two-to-four-million-dollar range, which would exhaust reserves. Rebates have been held in abeyance for the last few years due to the anticipated call for funds by the FWA. Under the FWA Transfer Agreement with Reclamation, the FWA can discontinue water deliveries for charges not paid. The method of cost recover, however, is up to the FWA Board and

the District Directors have requested Manager Morrissey to be fully engaged in an equitable determination of the method imposed for cost recover for this capital / repair project.

Also discussed were various financial categories including District power plant revenues and costs, Power Purchase Agreement status associated with the Districts assets, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were summarized.

Manager Morrissey reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had. *No action was taken by the Board on this topic.*

#### **7. Hydropower Facilities**

Manager Morrissey discussed the status of the hydro power plants noting uncertainty regarding their future operation based on potential revenue stream. *No action was taken by the Board on this topic.*

#### **8. FWA Issues**

General discussion of various activities undertaken on behalf of the Districts by Friant Water Authority were discussed. *No action was taken by the Board on this topic.*

#### **9. Rules and Regulations (Current and Future).**

There was a discussion on the draft Rules and Regulations for the upcoming year as well as a discussion on setting aside the 90% rule for the current year, due to operational constraints imposed by others (Reclamation and the FWA). In addition, the Board requested that Manager Morrissey provide to all landowners, in a separate letter, Item #7 (regarding communications) as it is new to previous years' Rules and Regulations.

Given the circumstances this year, the Board considered allowance of payments for 2020/2021 Contract Year secured supply to be fully creditable and refundable. The Board noted this relaxation was not precedent setting but given the operational constraints was a reasonable relaxation of that provision in the Rules and Regulations, for this year only.

Director Brown made the motion adopt the 2021/2022 Draft Rules and Regulations and Director Katayama seconded the motion. ***The Board voted unanimously in favor of adopting the Draft 2021/22 Rules and Regulations.***

Director Brown made a motion to relax the 90% rule for the current Contract Year ending February 28, 2021, Director Katayama seconded the motion. The following roll call vote was had on this change to the 2020/2021 Rules and Regulations:

Director Brown – Aye  
Director Katayama – Aye  
Director Collin – Aye  
Director Miller – No  
Chairman Bailey – Abstain

**The motion by Director Brown to suspend the 90% rule for the 2020/2021 Contract Year ending February 28, 2021 passed by majority vote.**

#### **10. 2021/2022 Contract Supply Water Rates**

Upcoming Contract Year water rates were discussed, including the need for increase to the pass-through costs for energy (PGE costs) by system, Director Miller motioned to maintain water rates at the same level of the previous two years: Tier 1 (first af/a used) @ \$65 per af and Tier 2 (exceeding Tier 1) @ \$25 per af and increase the energy cost in accordance with recent PGE charge increases. Director Collin, III second the motion and ***the Board voted unanimously in favor of the above noted rates.***

#### **11. NCWL Agreement**

After a brief discussion, Director Katayama motioned and Director Collin, III seconded the motion to extend the NCWL Agreement ending December 31, 2020 for an additional 12-month period through December 31, 2021. ***The Board voted unanimously in favor of this extension.***

**12. Administering Director Oaths of Office**

Controller Ramirez, a Notary Public, administered the oath of office for all District Directors appointed by the respective Board of Supervisors; Bailey, Brown, Miller.

**13. Adjourn**A handwritten signature in cursive script, reading "Harvey A. Bailey".

Harvey A. Bailey, Board Chairman

A handwritten signature in cursive script, reading "Fergus A. Morrissey".

Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday February 10, 2021. Director Collin, III called the meeting to order at 11:55 A.M., with the following Directors and Officers present:

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

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

Public: None

**1. Call to order**

Director Collin, III called the meeting to order at 11:55 A.M., with a quorum of Directors present.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

None

**4. Consent Calendar**

*Director Brown motioned, and Director Miller seconded the motion to approve the January 2021 Draft minutes for the Regular Meeting.*

*There were no Opt-Out requests completed in the month.*

*The Board voted unanimously in favor of the noted motion and second approving the draft January meeting minutes.*

**5. Warrants**

Controller Ramirez went through the bills for the period January 9 through February 10, 2021 totaling \$243,726.29 including a discount of \$2.94. There were general questions on the expenses. Following a discussion, *Director Katayama motioned and Director Miller seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.*

**6. Treasurer's Report**

Controller Ramirez covered Items A through J of the monthly report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries for the year to date of 31,400 acre feet, representing 80.10% of Contract. With a carryover of 4,290 acre feet remaining, the total available supply to growers in the District for the current Contract Year was 91.05%. The Reclamation allocation for the current Contract Year remains at 65%.

Also discussed were various financial categories including District power plant revenues and costs, Power Purchase Agreement status associated with the Districts assets, Friant Power Authority power plant revenues, LAIF balance and performance and return on CD's. Legal expenses to date were summarized.

Manager Morrissey reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had. *No action was taken by the Board on this topic.*

**7. Hydropower Facilities**


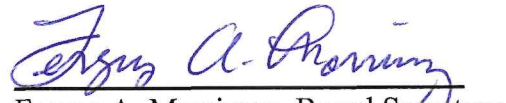
Manager Morrissey discussed the status of the hydro power plants noting completion by staff of the ReMAT application for the FWR and KRSH facilities. Staff is hopeful that a more advantageous contract under ReMAT is forthcoming in the next month and a half. *No action was taken by the Board on this topic.*

**8. FWA Issues**

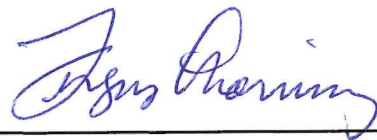
General discussion of various activities undertaken on behalf of the Districts by Friant Water Authority were discussed. The Board reviewed the quarterly (expected) call for funds to effectuate the FKCMRCCP. *No action was taken by the Board on this topic.*

**9. Adjourn**

The meeting was adjourned at 1:30 P.M. with the next scheduled meeting set for March 10, 2021 at the District Office.

  
Harvey A. Bailey, Board Chairman  
Fergus A. Morrissey, Board Secretary

The Regular Meeting of the Board of Directors of the Orange Cove Irrigation District for Wednesday, March 10<sup>th</sup>, 2020 **WAS CANCELLED.**



Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday April 14, 2021. Director Collin, III called the meeting to order at 11:44 A.M., with the following Directors and Officers present:

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

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

Public: None

**1. Call to order**

Director Bailey called the meeting to order at 11:44 A.M., with a quorum of Directors present.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

None

**4. Consent Calendar**

*Director Brown motioned, and Director Miller seconded the motion to approve the February 2021 Draft minutes for the Regular Meeting.*

*There were no Opt-Out requests for consideration.*

*The Board voted unanimously in favor of the noted motion and second approving the draft February meeting minutes.*

**5. Warrants**

Manager Morrissey went through the bills for the period February 11, 2021 through March 5, 2021 and March 6, 2021 through April 8, 2021 totaling \$282,916.52 and \$618,299.82, respectively. There were general questions on the expenses. Following a discussion, *Director Brown motioned, and Director Katayama seconded the motion to approve the expenditures for both noted periods. The Board voted unanimously in favor of such.*

**6. Treasurer's Report**

Manager Morrissey covered Items A through K of the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance. There was discussion of future financial obligations, short and longer term, particularly associated with the FKCMRCCP. The final total obligation for the FKC capacity fix is uncertain but is expected to be on the order of at least \$2,000,000 over the next 4-year period. Considering reserving that amount for that purpose, a discussion on potential for water user rebates, provided for with excess existing cash reserves took place. The Board requested that a complete assessment of potential rebates be performed by the Treasurer such that a relatively conservative recommendation for rebates be provided to the Board at the next Board of Directors meeting in May.

Manager Morrissey reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had. *No action was taken by the Board on this topic.*

**7. Groundwater Pump In Program**

Manager Morrissey went over the documents associated with the policy and the Application For Discharge associated with permitting landowners in the District to discharge water from their privately owned wells into the District's distribution system and the FKC. *Director Katayama motioned and Director Miller seconded the motion to permit both programs, under the same conditions required during the last previous 2015 drought, the last time that this was allowed. The Board voted unanimously in favor of the motion permitting comingling of groundwater and FKC surface water.*

## 8. Hydropower Facilities

Manager Morrissey discussed the status of the hydro power plants noting completion by staff of the ReMAT application for the FWR and KRSH facilities. Staff is hopeful that a more advantageous contract under ReMAT is forthcoming in the next month as PGE has asked for additional information since the initial application. It is unlikely that a Contract will be secured prior to May 1, 2020 so the likely hopeful start of operation under ReMAT is June 1, 2021. *No action was taken by the Board on this topic.*

## 9. FWA Issues

The Board discussed their position on the revised draft Cost Share Agreement provided by FWA to its member districts. This CSA is a document to be executed by the FWA and Reclamation and is needed for the FKCMRCCP to commence. The CSA draft was revised the day before this Board meeting and was modified as a result of repeated requests by the District Board and Manager Morrissey to remove any and all reference to a potential future “zone based management” of the of the FKC by virtue of cash needed over and above those contributions agreed upon by the FWA Board where up to \$50,000,000 be shared by Friant Kern Canal Contractors on the basis of OM&R.

Also discussed was an MOU provided to Districts to preserve their position relative to future disagreement on whether or not the expenditure for the FKCMRCCP is “capital” or OM&R.

***Director Katayama motioned and Director Brown seconded the motion that the Board approve the revised draft CSA and the MOU. The Board voted unanimously in favor of the motion and the second.***

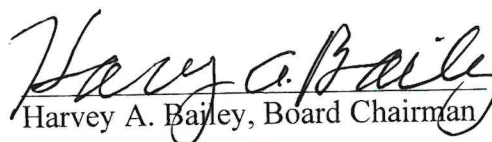
## 10. Personnel Issues

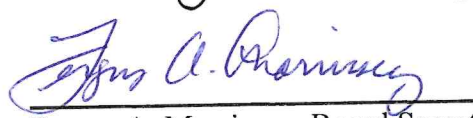
The Board went into Closed Session to discuss personnel matters.

## 11. Return to Open Session

Once the Board came out of Closed Session, it was reported that Mr. Clem be offered a promotion to Assistant General Manager as of May 1, 2021.

12. The meeting was adjourned at 3:57 P.M. with the next scheduled meeting set for May 12, 2021 at the District Office.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

Minutes of the Special Meeting of the Board of Directors of the Orange Cove Irrigation District held on Friday May 21, 2021. Director Bailey called the meeting to order at 8:40 A.M., with the following Directors and Officers present:

Directors Present: Harvey Bailey, Chairman (by phone)  
H. A. "Gus" Collin, III-Vice Chairman  
David Brown  
Arlen Miller  
Russell Katayama (by phone)

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Keith Clem, Assistant Manager

Public: None

**1. Call to order**

Director Bailey called the meeting to order at 8:40 A.M., with all Directors participating.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

No Public present.

**4. Rules and Regulations**

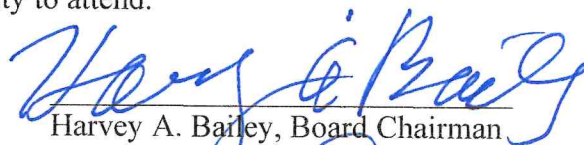
The Board discussed the District's current Rules and Regulations, specifically related to the late application penalty where late applications for water receive water on the basis of "subject to availability". Manager Morrissey discussed the results of his polling regarding what other Friant Contractors do regarding late applications and whether or not the Rules and Regulation of the District are typical.

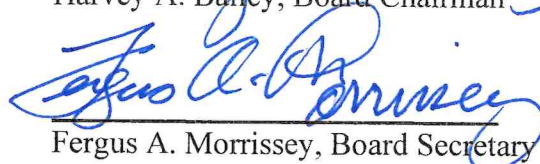
There was discussion that the Rules and Regulations would be broadly reviewed and reconsidered between now and next January.

*Director Brown motioned, and Director Collin, III seconded the motion to immediately relax the rule associated with late application penalties for this year and work toward possible broader modification of the Rules & Regulations adopted for next Contract Year. The Board voted unanimously of the motion and the second.*

**5. Adjourn**

The meeting was adjourned at 09:15 A.M. with the next scheduled meeting set for June 16, 2021 at the District Office, the 3<sup>rd</sup> Wednesday of the month. The meeting was delayed a week to accommodate Directors ability to attend.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday May 12, 2021. Director Bailey called the meeting to order at 11:59 A.M., with the following Directors and Officers present:

- Directors Present: Harvey Bailey, Chairman  
H. A. "Gus" Collin, III-Vice Chairman  
David Brown  
Arlen Miller  
Russell Katayama
- Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager
- Public: Yoann Moya, Landowner

**1. Call to order**

Director Bailey called the meeting to order at 11:59 A.M., with all Directors present.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

Ms. Yoann Moya, a landowner in the District with approximately 60 acres, attended the meeting to make a public comment requesting a change to the District's Rules and Regulations. The change Ms. Moya would like the Board to consider relates to the accessibility of water to landowners who fail to submit a timely / on-time water application.

To put the request into context, under the current Rules and Regulations (a very long-standing Policy), failure to submit a timely application to the District during a time when there is a water supply shortage results in the landowner's accessibility to District allocation being "subject to availability". In essence, under the current Policy all allocated water is distributed in a manner such that priority goes to on-time applicants with late applicants eligible to receive an allocation subsequent to **all** timely requests being satisfied.

Ms. Moya does not consider this a fair Policy and requests that the Board consider modification of the subject to availability Policy.

The Board discussed the matter and determined it was worthy of future discussion. As such an agenda item will be included in the next Board meeting to consider a revision to this specific provision of the Policy.

**4. Consent Calendar**

*Director Brown motioned, and Director Miller seconded the motion to approve the April 2021 Draft minutes for the Regular Meeting.*

*There were no Opt-Out requests for consideration.*

*The Board voted unanimously in favor of the noted motion and second approving the draft April 2021 meeting minutes.*

**5. Warrants**

Controller Ramirez went through the bills for the period April 09, 2021 through May 06, 2021 totaling \$284,421.66. There were general questions on the expenses. Following a discussion, *Director Brown motioned, and Director Katayama seconded the motion to approve the expenditures for both noted periods. The Board voted unanimously in favor of such.*

**6. Monthly Report**

Controller Ramirez covered Items A through J of the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance.



At the previous meeting, the Board requested that an assessment of potential rebates be performed by the Treasurer. Controller Ramirez reported the relative position of cash flow and future obligations. It was determined by that analysis, that under the current fiscal assumptions there is no unobligated reserve to be rebated at this time.

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the Districts systems was had. *No action was taken by the Board on this topic.*

#### **7. Hydropower Facilities**

Manager Morrissey noted that the KRSH plant has been accepted by PGE into the ReMAT que and that no determination regarding the FWR facility has been communicated by PGE. PGE is obligated to communicate the decision on the FWR in a matter of days and so until that time, the facilities are in a holding pattern.

There is not enough flow to operate the KRSH facility and without a contract there is no ability to operate either facility. The timing of executed ReMAT Contract is to be determined and staff is hopeful that everything will be in place by June 1<sup>st</sup>.

Assistant Manager Clem noted work that has taken place (installation of “new” protective relays) at the FWR facility so that it is ready to engage upon ReMAT PPA.

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

#### **8. FWA Issues**

The Board discussed FWA governance issues, including participation by district Managers in Closed Session of the FWA and the merits of the maintaining the FWA Executive Committee. These items and others are to be discussed at an upcoming FWA offsite/strategic planning session planned for the end of June this year. Specific dates, times and location are to be determined. Director Brown noted his interest in attending.

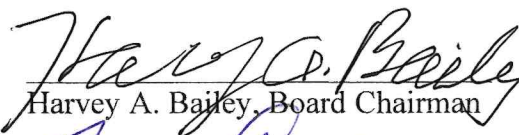
#### **9. Closed Session**

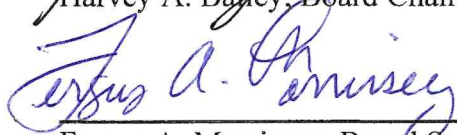
The Board went into Closed Session to discuss potential litigation.

#### **10. Return to Open Session**

Once the Board came out of Closed Session, there was no reportable action taken by the Board.

- 11.** The meeting was adjourned at 3:35 P.M. with the next scheduled meeting set for June 16, 2021 at the District Office, the 3<sup>rd</sup> Wednesday of the month. The meeting was delayed a week to accommodate Directors ability to attend.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday June 16, 2021. Director Bailey called the meeting to order at 12:10 P.M., with the following Directors and Officers present:

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

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager

Public: Jason Phillips, FWA CEO

**1. Call to order**

Director Bailey called the meeting to order at 12:10 P.M., with all Directors in attendance.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

FWA CEO Phillips discussed with the Board many of the various priority activities undertaken by the Friant Water Authority.

**4. Consent Calendar**

*Director Brown motioned, and Director Miller seconded the motion to approve the May 12, 2021 Draft minutes for the Regular Meeting as well as the draft minutes for the special meeting held on May 21, 2021.*

*There were no Opt-Out requests for consideration.*

*The Board voted unanimously in favor of the noted motion and second approving both draft May 2021 meeting minutes.*

**5. Warrants**

Controller Ramirez went through the bills for the period since May 6<sup>th</sup>. There were general questions on the expenses. It was noted by Controller Ramirez that the Workers Compensation premium for the year is identical to last year's premium. Following a discussion, *Director Miller motioned, and Director Collin, III seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.*

**6. Monthly Report**

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance. Briefly discussed was the possibility of a grower rebate for the previous fiscal year's (March 1, 2020 – February 28, 2021). Given the amount of potentially large, fixed costs associated with Operation and Maintenance for the FKC, and the DMC, future true up (much higher) federal cost of water due to the low allocation this year, very low revenue from power plant operations over the previous year and this year, etc., discussion on this topic is deferred indefinitely.

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had. *No action was taken by the Board on this topic.*

**7. Hydropower Facilities**

Manager Morrissey noted that both FWR and KRSH have been accepted into the ReMAT queue and expecting a PPA with PGE in the next few weeks. Friant Power Authority's facilities, except for the QLPP are not running due to lack of water supply.

**8. FWA Issues**

All of the discussion on this topic was covered during the public comment period.

**9. Closed Session**

The Board went into Closed Session to discuss personnel compensation.

**10. Return to Open Session**

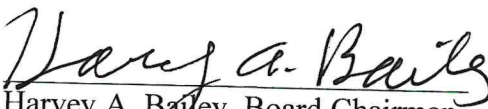
Once the Board came out of Closed Session, it was reported that all employees would receive a 4.5% increase in pay, except for AM Klem, whose recent promotion occurred last month. His salary will be considered at the upcoming October 2021 Board meeting.

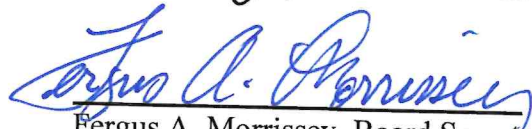
**11. Warren Act Contract**

This item was tabled as previous action by the Board had already been taken, authorizing a Warren Act Contract for private landowners to be allowed to utilize the FKC for ease of conveyance of groundwater among their properties.

**12. Adjournment**

The meeting was adjourned by Chairman Bailey at 3:20 P.M. The next meeting will be held at the District office on July 14, 2021 starting at 11:30 A.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary



Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday July 14, 2021. Director Bailey called the meeting to order at 12:10 P.M., with the following Directors and Officers present:

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

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager

Public: None

**1. Call to order**

Director Bailey called the meeting to order at 12:10 P.M., with a quorum of Directors in attendance.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

None

**4. Consent Calendar**

*Director Miller motioned, and Director Brown seconded the motion to approve the June 12, 2021 Draft minutes for the Regular. The Board voted unanimously in favor of minute approval as drafted.*

*There were no Opt-Out requests for consideration.*

**5. Report on Audit of District FY 2020 and 2021**

Joe Mastro, of Cuttone & Mastro appeared in front of the Board via Zoom to provide a summary of the noted Audits. FY 2021 (ending February 28, 2021) reflected a change in net position of \$699,462 compared to FY 2020 (restated) year end net position. A net operating income of \$944,767 and \$381,881 were realized for FY 2020 and FY 2021, respectively.

Per the Auditor's report, "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Orange Cove Irrigation District, as of February 28, 2021 and February 29, 2020, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America".

Director Brown motioned to accept the Audit Report for the noted FY's and made a motion to that effect. Director Collin, III seconded the motion. *The Board of Directors of the District voted unanimously in favor of accepting the audit reports and findings and conclusions as stated therein.*

**6. Warrants**

Controller Ramirez went through the bills for the period since the previous meeting on July 14, 2021. Total expenses noted were \$446,988.17 for the period. There were general questions on the expenses. Following a discussion, *Director Miller motioned, and Director Collin, III seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.*

**7. Monthly Report**

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance.

8.

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had. *No action was taken by the Board on this topic.*

**9. Hydropower Facilities**

Manager Morrissey noted that both FWR and KRSH have a new PPA with PGE under the ReMAT program. PGE and the District are working through the steps so that Commercial Operation can be established in the next month.

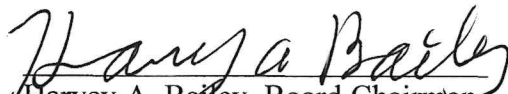
Friant Power Authority's facilities are continuing to operate to the extent diversions allow, however the revenue generated is minimal, as expected.

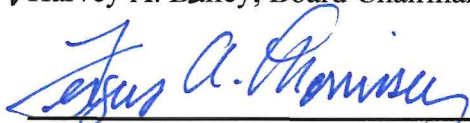
**10. FWA Issues**

General activities undertaken by the FWA over the previous month were generally discussed, and no action was taken on any of those items.

**11. Adjournment**

The meeting was adjourned by Chairman Bailey at 2:40 P.M. The next meeting will be held at the District office on August 11, 2021 starting at 11:30 A.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday August 11, 2021. Director Bailey called the meeting to order at 11:30 A.M., with the following Directors and Officers present:

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

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager

Public: None

**1. Call to order**

Director Bailey called the meeting to order at 11:30 A.M., with all Directors in attendance.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

No public present

**4. Recess for Board of Equalization Hearing**

At Noon the Board recessed to review the official District Assessment roll for which acreage assessment (Standby) is based. Public notices for this hearing were published in the local newspapers (Dinuba Sentinel and the Reedley Exponent) on July 22<sup>nd</sup> and July 29<sup>th</sup>, 2021 notifying the public that the hearing would take place. No landowners or members of the public appeared at the hearing.

The Assessment roll's total acreage is unchanged from last year's assessed acreage of 27,949.02 acres, although land ownership has changed, total acreage in the legal boundary of the District has not. After a brief discussion without public or landowners (aside from the Board members present), Director Miller motioned to approve the Assessment Roll prepared by staff. Director Brown seconded the motion and *the Board voted unanimously in favor of approval of the Assessment Roll as prepared and provided at the hearing.*

**5. Return to Regular Board Meeting**

At 12:10 the Board closed the Board of Equalization hearing and returned to the regular meeting.

**6. Consent Calendar**

*Director Collin, III motioned, and Director Brown seconded the motion to approve the July 14, 2021 Draft minutes for the Regular. The Board voted unanimously in favor of minute approval as drafted.*

There were no Opt-Out requests for consideration.

**7. Ratification of Bills**

Controller Ramirez went through the bills for the period July 11- August 10, 2021. Total expenses noted were \$556,555.24 for the period. There were general questions on the expenses. Following a discussion, *Director Brown motioned, and Director Katayama seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.*

**8. Monthly Report**

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance.

9. Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had.

Manager Morrissey noted that it appears very likely that there will not be a reduction in Bureau Class 1 Allocation (20%) this year. It was noted that to date, landowners have yet to consume rescheduled supplies moved into this year from last Contract Year. There was considerable discussion on water management particularly associated with the potential / uncertain Spot Market water acquisition quantity that may be available compared to landowner requests received to date. The Board suggested to Manager Morrissey that he send out another letter to all landowners in the District (to those with emails on file), in an effort to ensure maximizing participation in the opportunity.

*No formal action was taken by the Board on the matters discussed in the Monthly Report.*

#### **10. Hydropower Facilities**

Manager Morrissey noted that PGE and the District are working through the steps so that Commercial Operation can be established, hopefully toward the end of this month.

Friant Power Authority's facilities are continuing to operate to the extent diversions allow, however the revenue generated is less than minimal and has turned dismal.

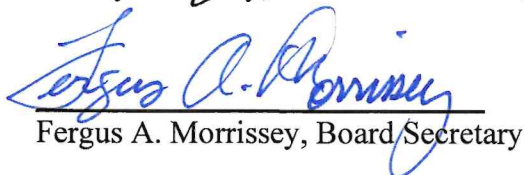
#### **11. FWA Issues**

General activities undertaken by the FWA over the previous month were generally discussed, and no action was taken on any of those items.

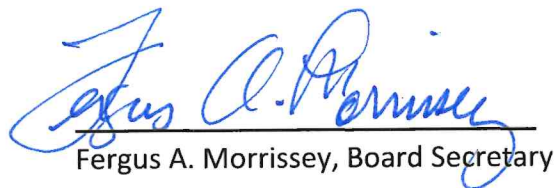
#### **12. Adjournment**

The meeting was adjourned by Chairman Bailey at 2:01 P.M. The next meeting will be held at the District office on September 8, 2021 starting at 11:30 A.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

The Regular Meeting of the Board of Directors of the Orange Cove Irrigation District for Wednesday, September 8<sup>th</sup>, 2021 **WAS CANCELLED.**



Fergus A. Morrissey, Board Secretary

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Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday October 13, 2021. Director Bailey called the meeting to order at 11:58 A.M., with the following Directors and Officers present:

- Directors Present: Harvey Bailey, Chairman  
H. A. “Gus” Collin, III-Vice Chairman  
David Brown  
Arlen Miller  
Russell Katayama
- Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager
- Public: None

1. Call to order

Director Bailey called the meeting to order at 11:58 A.M., with all Directors in attendance.

2. Approval of the Agenda

No alterations were suggested.

3. Public Comment

No public present

4. Consent Calendar

*Director Katayama motioned, and Director Brown seconded the motion to approve the August 2021 Draft minutes and one Opt-Out request. The Board voted unanimously in favor of approving these items.*

5. Check Signing Authority

The Board discussed providing AGM Clem with check signing authority. The approval was considered only on the condition that the current requirement where at least one Director must be signatory, be stipulated. Passing a Resolution (2021-03) to this affect was discussed. *Director Collin, III made a motion to provide AGM with check signing authority approving a Resolution that affect. Director Brown seconded the motion and by roll call vote, the motion and second was unanimously approved.*

6. 2022 General Fixed Obligation Budget

Manager Morrissey reviewed the fixed cost expenditures for the upcoming Calendar Year. Based on the best estimate, the following breakdown of fixed obligations (not including water operations and water costs specific to delivery of water within in the District) was provided and discussed:

- \* General and Administrative - \$1,060,000 (36% of fixed obligations)
- \* Conveyance (local and non-local) – 1,533,000 (53% of fixed obligations)
- \* General District O&M - \$316,000 (11% of fixed obligation).

During the discussion it was noted that some conveyance charges (FKCMRCCP) will be reimbursable and can be converted to long term debt once the project is completed. As such those charges were not included in the fixed budget at this time as they will be covered by existing reserves, which have been built up and set aside in anticipation of the cost’s forthcoming as payable for the FKCMRCCP.

Budget analysis reveals that fixed cost obligations on a per acre basis exceed the cost supported by the current Stand-by rate. This fact notwithstanding, Director Katayama motioned to approve the budget as presented. Director Miller seconded the motion and the **Board voted unanimously in favor of accepting the budget as present which supports establishing the Standby rate / assessment at the unchanged rate of \$86 per acre of land within the District for the 2022 Calendar Year.**

7. Ratification of Bills

Controller Ramirez went through the bills for the period August 12 – October 7, 2021. Total expenses noted were \$2,277,157.62 for the period. Of that expenditure, the vast majority (approximately \$2,000,000) included payments for; Spot Market water supply, Contract water supply, local and non-local conveyance charges payable to the Friant Water Authority,



including collection for Middle Reach Capacity Correction Project Costs. Following a discussion, **Director Miller motioned, and Director Brown seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.**

#### **8. Monthly Report**

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance.

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had.

*No formal action was taken by the Board on the matters discussed in the Monthly Report.*

#### **9. Hydropower Facilities**

Manager Morrissey noted that PGE ReMAT PPA's are now active, and the District is operating both of its hydropower facilities and generating revenue from their sale to PG&E.

Friant Power Authority's facilities are continuing to operate to the extent diversions allow, however the revenue generated is less than minimal and has turned dismal. No action was taken.

#### **10. FWA Issues**

General activities undertaken by the FWA over the previous month were generally discussed, and no action was taken on any of those items.

#### **11. Resolution 2021-01 – Certificates of Sale**

Controller Ramirez reviewed the list of delinquencies on Stand-by Assessment totaling 14 accounts, totaling \$10,040. Director Collin, III motioned, Director Miller seconded the motion and after roll call vote, the **Board voted unanimously in favor of imposing Certificates of sale against the listed delinquent property owners.**

#### **12. Resolution 2021-03 – Warren Act Contract for District Pump-ins to FKC**

Manager Morrissey discussed Warren Act Contract 21-WC-20-5865 with Reclamation authorizing individual landowner pump ins into the FKC for this and next Contract Year. Director Katayama motioned and Director Collin, III seconded the motion to authorize execution of said WAC. **By roll call vote, the Board voted unanimously in favor of passing Resolution 2021-03 authorizing the execution of the Warren Act Contract with Reclamation.**

#### **13. Closed Session – Personnel Actions**

The Board went into Closed Session and reported action relative to salary adjustments for Manager Morrissey and AGM Clem.

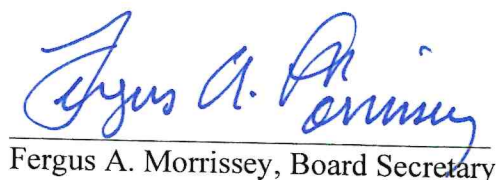
#### **14. Return to Open Session**

**In Open Session the Board reported action relative to salary adjustments for Manager Morrissey (5%) and AGM Clem (1.04%).**

#### **15. Adjournment**

The meeting was adjourned by Chairman Bailey at 4:30 P.M. The next meeting will be held at the District office on November 10, 2021 starting at 11:30 A.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary



Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday November 10, 2021. Director Bailey called the meeting to order at 12:07 P.M., with the following Directors and Officers present:

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

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager

Public: None

#### 1. Call to order

Director Bailey called the meeting to order at 12:07 P.M., with all Directors in attendance.

#### 2. Approval of the Agenda

No alterations were suggested.

#### 3. Public Comment

No public present.

#### 4. Consent Calendar

Director Collin requested clarification to an acronym used in the minutes. Controller Ramirez noted improper numbering of the Resolution in Agenda Item 12. ***Director Katayama motioned, and Director Brown seconded the motion to approve the October 2021 Draft minutes with the noted corrections. There were no Opt-Out requests to consider. The Board voted unanimously in favor of approving the minutes with the noted clarification and correction.***

#### 5. Ratification of Bills

Controller Ramirez went through the bills for the period October 14 – November 12, 2021. Total expenses noted were \$3,230,988.25 for the period. Of that expenditure, the vast majority) included payments for; Spot Market water supply, Contract water supply, local and non-local conveyance charges payable to the Friant Water Authority. Following discussion, ***Director Brown motioned, and Director Collin seconded the motion to approve the expenditures for the period. The Board voted unanimously in favor of such.***

#### 6. Monthly Report

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were total water in-District deliveries, expenses, receivables and LAIF balance. It was noted that October deliveries were a fraction (<50% of typical October deliveries). The reasons for the lack of use is unknown and is concerning given the amount of water available to the District landowners at this time. It was also noted that hard freeze or dry conditions going forward may result in carryover requests with Reclamation being conforming to the imposed limitation of 10% of Contract Supply.

The Board discussed the District's 90% Rule, part of the 2021 Rules and Regulations.

***Director Brown motioned and Director Katayama seconded the motion to relax the 90% rule this year due to the low allocation from Reclamation. The Board voted unanimously in favor of relaxing the 2021 Rules and Regulations 90% Rule and credits for unused water secured by growers will include full financial credit for dollars paid for Contract Supply (only Contract Supply) not taken.***

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had.

#### 7. 2022/23 Water Rates

The Board had a general discussion of water rates for the upcoming Contract Year. The Board also had a general discussion of the 2022/23 Rules and Regulations (for next year). The discussion included altering the Tier 2 price charged to growers to reflect increased costs of the water payable to Reclamation. No final decision was made at this time.

Also discussed was the desire to maintain continuity of the upcoming Rules with the previous year's Rules and Regulations. Items discussed included, specific to the Rules and Regulations,

due date, penalty for late applications and making the 90% rule relative to a 100% allocation basis verses 90% of the allocation. The latter does not provide for sufficient flexibility regarding uncertain frost water demand and demands if dry conditions persist into the fall and winter period. No conclusion or action was made regarding the upcoming year's Rules and Regulations as further discussion is deemed appropriate.

#### **8. FWA Issues**

General activities undertaken by the FWA over the previous month were generally discussed. Friant Water Authority's upcoming Offsite meeting was discussed. Director Brown noted that he will step down from District representation on the FWA Board and Director Miller will fulfill those duties. It was noted that FWA COO Deflitch has moved on to another adventure. The Board wishes Mr. Deflitch well in his new endeavors. No action was taken

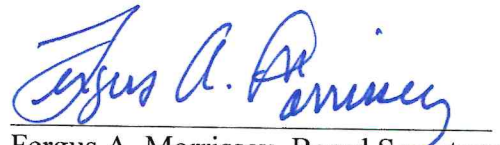
#### **9. Check Signing Authority**

Discussion on check signing authority and process took place, including reviewing other bank options. This topic will be revisited at the next Board meeting in December, once additional research has been conducted by staff.

#### **10. Adjournment**

The meeting was adjourned by Chairman Bailey at 2:42 P.M. The next meeting will be held at the District office on December 8, 2021 starting at 11:30 A.M.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary

Minutes of the Regular Meeting of the Board of Directors of the Orange Cove Irrigation District held on Wednesday December 8, 2021. Director Bailey called the meeting to order at 12:07 P.M., with the following Directors and Officers present:

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

Staff: Fergus A. Morrissey, Engineer-Manager/Secretary  
Robert T. Ramirez, Controller/Treasurer  
Keith Clem, Assistant Manager

Public: Kevin Orlopp (landowner)  
Dick Moss (former OCID and FWA Manager)  
Marcos Calix (Bank of the West)

**1. Call to order**

Director Bailey called the meeting to order at 12:07 P.M., with all Directors in attendance.

**2. Approval of the Agenda**

No alterations were suggested.

**3. Public Comment**

None.

**4. Check Signing Authority**

The Board discussed whom among the Directors and Staff would be granted check signing authority. With Director Katayama's announcing his retirement from the Board (like the Terminator....he may be back) the four remaining Directors (Bailey, Collin, III, Brown and Miller) will have check signing authority. *In addition to Directors, Manager Morrissey and Assistant Manager Clem, will have check signing authority. It is the Districts policy that two signers are required with one of them being a Director. A motion to this affect was made by Director Brown with a second by Director Collin, III. The Board voted unanimously in favor of the motion and the second.*

**5. Closed Session - Real Property Negotiations**

The Board went into Closed Session to discuss Real Property Negotiations with Consultant Moss.

**6. Return to Open Session**

The Board returned to Open Session with *no reportable action taken.*

**7. Minutes**

Approval of draft October and November 2021 minutes were considered by the Board. *Director Katayama motion to approve the minutes from both meetings. Director Miller seconded the motion and the Board voted unanimously in favor of their approval.*

**8. Ratification of Bills**

Controller/Treasurer Ramirez went over the bills paid between November 10 and December 2, 2021. Total disbursements from the period totaling \$228,022.76. Majority of payments related to energy charges associated with delivery of water, water right fees payable to the State Water Resources Control Board, and payroll. *Director Katayama motioned and Director Miller seconded the motion to ratify expenses for the Period. The Board voted unanimously in favor of the motion.*

**9. Audit Proposal Review and Ad hoc Committee Recommendation**

The ad hoc committee recommended to the Board, based on their review and discussion of the proposals, to accept the audit service proposal received from M Green and Company based on their client list and the desire to retain a different company with a fresh set of "eyes". After Board discussion, *Director Collin, III motioned and Director Katayama seconded the motion accepting the ad hoc committee's recommendation to select M Green and Company for a three year period. The Board voted unanimously in favor the motion.*

### 10. Monthly Report

Controller Ramirez covered items in the Treasurer's report; including delinquent stand-by charges categorized into "troubled assets" (foreclosures, hardship, and no response) and late payments. Other items discussed were power plant operations, total water in-District deliveries, expenses, receivables and LAIF balance. It was noted that October and November deliveries were a fraction (<50% of typical deliveries). The reasons for the lack of use is unknown and is concerning given the amount of water available to the District landowners.

Assistant Manager Clem reviewed the Monthly O&M Report with the Board and a thorough discussion of operations of the District's systems was had. *No action was taken.*

### 11. 2022/23 Water Rates

The Board had a general discussion of water rates for the upcoming Contract Year. After discussion that considered an increase in cost of water paid by the District to Reclamation, *Directors Miller and Katayama motioned and seconded (respectively) keeping the Tier 1 rate at \$65 per acre foot with the Tier 2 rate adjustment to \$45 per acre foot. The Board voted unanimously in favor of this motion and second.*

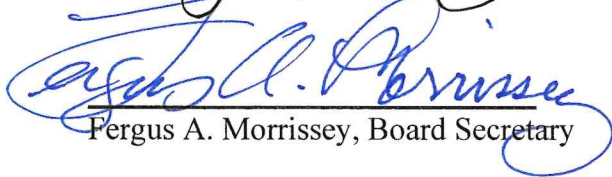
### 12. Rules and Regulation for the 2022/2023 Contract Year

The Draft Rules and Regulations prepared by staff stemming from discussions at the previous meeting and included in the packet were discussed. Director Miller made the suggestion to include in the January Cover letter to growers, a summary of important, fundamental changes to the Rules and Regulations. *Directors Katayama and Collin, III motioned and seconded adopting the Rules and Regulations included in the packet, for the upcoming Contract Year. The Board voted unanimously in favor of the motion.*

### 13. Adjournment

The meeting was adjourned by Chairman Bailey at 3:35 P.M. The next meeting will be held at the District office on January 12, 2022 with the OCID Financing Corporate starting at 11:30 A.M. to be immediately followed by the regular monthly Board Meeting.

  
Harvey A. Bailey, Board Chairman

  
Fergus A. Morrissey, Board Secretary