

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**July 17, 1996
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, Glenn Mueller, John Otto and John Rombouts
PRESENT

MINUTES Minutes of the regular meeting of June 19, 1996 were approved as presented with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

MANAGER'S REPORT Robert Jasper said the District is pumping at the rate of 19 cubic feet per second. He also reported that the engine that failed last month had been disassembled at the manufacturer's facility and a meeting has been scheduled for July 18 with the factory representatives and the representatives of Global.

The Auditor-Controller has advised us of changes in annual guidelines which change the deadlines for the special assessment (due 8/9/96), the final budget (due 8/26/96) and the tax rates (due 8/16/96). Mr. Jasper then suggested that the hearing for the benefit assessment be rescheduled to August 7, 1996 at 1:00 p.m. He said it is possible that the tax rates could be set at this time as well because the assessed values of the District are supposed to be available by August 5. The final budget could be done at the regular meeting in August. President Backes asked if August 7 was acceptable to the rest of the Board. All were in agreement.

RESCHEDULE HEARING President Backes entertained a motion that the hearing be rescheduled from July 24, 1996 to August 7, 1996 at 1:00 p.m. Director Vukich made the motion, seconded by Director Conner. (Ayes 5, Noes 0)

Mr. Jasper continued his report. He said in regard to the agenda item entitled "Adjustment of Basin Boundary Lines," the item was discussed a few months ago and he explained that the purpose of the adjustment was to include the entire Tehachapi Groundwater Basin in the same

district of the Regional Water Quality Control Board. Dr. Mann has been discussing it with the geohydrologist for the Regional Water Quality Control Board and he said they are in the process of drawing new maps for the groundwater basin boundary lines. The City of Tehachapi has approved this proposed change and a letter has been sent to Calaveras Cement Company to inform them of the proposed change. Letters will also be sent to Zond, and Willow Springs Mobile Home Park. Mr. Jasper said there aren't any apparent problems with this request.

The City of Tehachapi has approved the joint storm water recovery and reuse project and is asking this Board to participate.

Mr. Jasper has been working on updating the Watermaster rules with Dr. Mann. He said the Amendment to Judgment contains all the provisions that have to be used and the Board has passed five Watermaster resolutions, and now we are getting into water quality concerns. Dr. Mann has provided a manual that the San Fernando Watermaster uses and after going through it we found we have everything we need. Work will continue on this project with a final version to be available for approval before January, 1997.

The Board moved to Agenda Item VIII to accommodate the schedule of Mr. Rombouts.

**PROPOSED
EQUIPMENT
RENTAL**

A proposal for the lease of District-owned equipment to the City of Tehachapi was reviewed by the Board.

Director Vukich said he did not agree with the proposal. He said the District would be competing with licensed contractors in the area that lease their equipment. Director Vukich also had concerns about the rates listed. Director Cowan asked for an explanation on this proposal. President Backes said the City needs equipment occasionally and if they can rent it from the District it would be less expensive for them.

John Rombouts added that the City felt this could be a mutual thing. The City has equipment that the District might also need. They felt it would be beneficial for both the City and TCCWD.

Discussion took place on responsibility for damaged equipment, use of staff to operate the equipment, etc.

President Backes asked the other Board members if this was something that should be left for emergencies only. The Board agreed to this.

John Rombouts said that there are a lot of things that the City and the District need to pull together to do, and it goes all the way from waste water, fire protection and public safety. He said he feels that with the loss of government revenue and government shrinking, the local agencies need to work together and be more cooperative.

President Backes said there was a lot of merit in what John Rombouts was saying, but for right now the Board stands on the use of District equipment for emergencies only. This item will be tabled for now and may be discussed later.

**STORM
WATER
RECOVERY
AND REUSE**

The City has approved the initial study for the Storm Water Recovery and Reuse Project. They have allocated \$7,000 for the project and are asking the District to participate.

A preliminary report was drafted by Joe Rickett and the recovery was estimated at 900 acre feet per year. Costs will be recovered at 840 acre feet of recovery. The total cost of the project is estimated at \$192,000.

Bob Jasper said the project would not only benefit the City, it would also benefit the District. Bob suggested that the water credits could be split, but there have not been any specific details discussed yet. The first step would be to complete an EIR so it can be determined if there is a project.

President Backes entertained a motion that the District participate on this project by dedicating \$7,000 to the initial study. Motion was made by Director Cowan, seconded by Director Conner. (Ayes 5, Noes 0)

WATERMASTER

A temporary assignment of water rights from Marie Katschar to Kern Ridgeworkers for 35 acre feet of water rights was reviewed by the Board. Upon conclusion of the discussion, Director Cowan made a motion that the lease be approved, seconded by Director Vukich. (Ayes 5, Noes 0)

The Board of Tehachapi-Cummings County Water District recessed and the Board of the Tehachapi-Cummings Emissions Reduction Facilities Corporation was called to order.

**RESOLUTION
NO. 9-96**

RESOLUTION OF THE BOARD OF DIRECTORS FOR TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR THE TRANSFER OF FUNDS

The Board reviewed this resolution for the transfer of funds from 60177 (I.D. 3) to 60170 (General) in the amount of \$1,197.59 for reimbursement to the general fund. Director Vukich introduced Resolution 9-96 and moved for its adoption. Motion was seconded by Director Conner and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel & Vukich
NOES: None
ABSENT: None

**RESOLUTION
NO. 10-96**

RESOLUTION OF THE BOARD OF DIRECTORS FOR TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR THE TRANSFER OF FUNDS

The Board reviewed this resolution for the transfer of funds from 60170 (General) to 60183 (Emissions Reduction) in the amount of \$135,500 for payment of debt service. Director Conner introduced Resolution 10-96 and moved for its adoption. Motion was seconded by Director Cowan and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel & Vukich
NOES: None
ABSENT: None

RESOLUTION
NO. 11-96

**RESOLUTION OF THE BOARD OF DIRECTORS FOR TEHACHAPI-
CUMMINGS COUNTY WATER DISTRICT FOR THE TRANSFER OF
FUNDS**

The Board reviewed this resolution for the transfer of funds from 60186 (Benefit Assessment - Flood Control Project) to 60170 (General) in the amount of \$17,681.22 for reimbursement to the general fund. Director Cowan introduced Resolution 11-96 and moved for its adoption. Motion was seconded by Director Conner and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel & Vukich
NOES: None
ABSENT: None

CHANGE IN
GROUNDWATER
BASIN
BOUNDARY

This item was covered in the Manager's Report.

President Backes asked to be kept advised of comments received from Calaveras, etc. as to opposition or support of this change.

COMMENTS

Bob Jasper reported that the District is in the process of preparing the documents to accept the easement agreement offered by Ralph Ward for the Ash Tract connection. He also explained the details of the agreement. Mr. Ward would like a turnout and free water service for the first three acre feet of water in return for this easement.

Regarding the EPA, the District received a letter saying to proceed with covering up the hole for the seepage pit, and transport the material. With this done, that will complete the cleanup/closure of the seepage pit. John Otto reported that the material has already been transported.

A report was also given by Bob Jasper on the Memorandum of Understanding for the Ash Tract project. He said a meeting was held at Jim Parker's to discuss implementation of the MOU, and make final changes to the draft. He said the next step is to meet with the County representatives to get their input, then there will be a meeting with the City, Ash Tract, County, and TCCWD which will include attorneys and Board and Council members.

Bob Jasper also reported that Brian Copus was hired for the Pipeline Maintenance position.

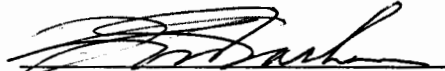
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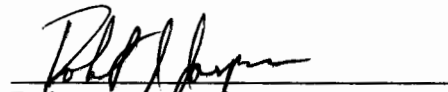
FINANCIAL

Vouchers #1-78 totaling \$125,477.09 and additional vouchers #79-93 totaling \$126,576.83 to be paid from Fund 60170; Voucher #1 totaling \$135,500.00 to be paid from Fund 60183; and Voucher #1 totaling \$4,395.56 to be paid from Fund 60186 were reviewed for payment. President Backes entertained a motion that the bills be approved. Motion was made by Director Cowan, seconded by Director Conner. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned to August 7, 1996 with a motion made by Director Vukich, seconded by Director Cowan. (Ayes 5, Noes 0)


Karl M. Backes, President


Robert J. Gasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
ADJOURNED MEETING OF THE BOARD OF DIRECTORS**

**August 7, 1996
12:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

**DIRECTORS
PRESENT**

Backes, Conner, Cowan, Prel, and Vukich.

**OTHERS
PRESENT**

Bob Jasper and John Otto

**PUBLIC
HEARING**

President Backes stated this was adjourned meeting of the Board to hold a hearing to consider assessments for Zone of Benefit #1. He then declared the hearing open.

President Backes called attention to the changes that were made to Resolution No. 13-96. He reviewed the changes with the Board.

President Backes also called attention to a necessary change made to Resolution 12-96 and reviewed this change with the Board.

**STAFF
REPORT**

Exhibit A: Declaration of Posting Notice. Bob Jasper explained that the Declaration states that John Otto caused this notice to be posted in three public places.

President Backes asked that the minutes show that the Declaration of Posting Notice be entered as Exhibit A.

Exhibit B: Proof of Publication. Bob Jasper explained the Proof of Publication states the public notice for the assessment hearing was run in the July 24 and July 31 issues of the Tehachapi News.

President Backes asked that the minutes show that the Proof of Publication be entered as Exhibit B.

Exhibit C: Staff Report on Assessments. Bob Jasper explained that the written report by the Staff is in the same format as in years past. He reviewed this report with the Board. He explained how the report was compiled, and how the figures were calculated. The proposed assessment amount for 1996-97 is \$106,000 which is the same amount that was raised for the 1995-96 fiscal year.

Director Vukich asked if there were any letters of protest. Staff reported that no calls or letters of protest were received.

President Backes asked that the minutes show the Staff Report entered as Exhibit C. The hearing was closed at 1:25 p.m.

**RESOLUTION
NO. 13-96**

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT DETERMINING BENEFIT ASSESSMENT TO FINANCE MAINTENANCE, OPERATION AND INSTALLATION OF THE TEHACHAPI WATERSHED PROJECT IN FISCAL YEAR 1996-97.

With review and discussion complete, Director Vukich introduced and moved for the adoption of Resolution No. 13-96, seconded by Director Conner and roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**RESOLUTION
NO. 12-96**

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT APROVING THE KCWA'S WAIVER OF CONDITION PRECEDENT TO EFFECTIVENESS OF MONTEREY AMENDMENT.

President Backes explained that this resolution is a follow up on the previously approved change in the KCWA contracts to include the Monterey Agreement. Discussion took place on the purpose of this resolution. Director Cowan introduced and moved for the adoption of Resolution 12-96, seconded by Director Conner, and roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

Director Conner asked if the KCWA was going to collect water for the County as a whole. President Backes explained what the Kern County Water Bank was and how it works. The Monterey Agreement and SB 900 were reviewed with the Board. Bob Jasper said that all these changes should be beneficial.

**RESOLUTION
NO. 14-96**

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT DETERMINING MINIMUM AMOUNTS OF MONEY REQUIRED TO BE RAISED BY TAXES REQUIRED BY THE DISTRICT FOR PAYMENTS WITH RESPECT TO: (A) INTEREST AND REDEMPTION CHARGES ON ITS BONDED INDEBTEDNESS APPROVED BY THE VOTERS; (B) INTEREST AND REDEMPTION CHARGES ON INDEBTEDNESS TO UNITED STATES APPROVED BY THE VOTERS; (C) CAPITAL PAYMENTS TO THE KERN COUNTY WATER AGENCY FOR THE FISCAL YEAR 1996-97, AND FIXING THE RATES OF TAXATION TO BE LEVIED FOR THE DISTRICT PURPOSED FOR THAT FISCAL YEAR.

President Backes asked Bob Jasper to review his report with the Board. He explained that the total assessed value of the District was \$1,518,085,218 which was up 1%. The assessed value of land only was \$467,746,090 which was down 1.6%. The proposed rates were as follows:

<u>Debt Service</u>	<u>Amount to be Collected</u>	<u>Proposed Rate</u>
Bond	\$ 300,000	0.0203596
U.S. Debt	\$ 154,000	0.0347909
State Water Contract	\$1,323,000	0.0897059

Bob Jasper reviewed the proposed rates and debt service payments with the Board.

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After discussion was complete, Director Conner introduced Resolution No. 14-96 and moved for its adoption. Second was made by Director Vukich and roll call was taken on the vote.

AYES: Backes, Conner, Cowan, Prel and Vukich


NOES: None

ABSTAIN: None

ADJOURNMENT

President Backes entertained a motion that the meeting be adjourned. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**August 21, 1996
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, John Otto and Ernie Schaeffer
PRESENT

MINUTES Minutes of the regular meeting of July 17, 1996 were approved as presented with a motion made by Director Vukich, seconded by Director Cowan. (Ayes 5, Noes 0)

OTHER President Backes said that Ernie Schaeffer was here to make a presentation to the Board on the Antelope Run Project.

Ernie Schaeffer explained that the Board agreed to support the Antelope Run Project a few years ago. He explained that it is not just a bicycle path. It will be for walking, horseback riding, and also wildlife. It is planned that it would go from the dam to Tehachapi Creek. He said the Resource Conservation District feels that the project needs to be started and then attempts to get grant money to help fund the project can be made. He said the RCD will have approximately \$13,000 or \$14,000 to put into the project. He said they would like to start between 202 and I.D. #3. This part is already engineered so all we would need to do is go to work.

Bob Jasper reviewed the minutes and TCCWD did agree to be a cosponsor. He said the area between 202 and I.D. #3 which is owned by the District in fee for the most part so there would not be an easement problem. Bob said that he would like to use this project to help get the State to put in a new culvert at 202. At one time it was discussed using our own labor and equipment in lieu of cash to get the project started and if the Board approved the project, the District could start work.

Discussion continued on the project and it was suggested by President Backes that a scope of work be prepared for the Board's review at the September meeting.

**MANAGER'S
REPORT**

Bob Jasper reviewed the details of his written report. He said the District's imported water system continues to pump at the rate of 19 cubic feet per second. There have been few operational difficulties at this time. He reported that there was a pipeline failure earlier in the month. The new engine at Pump Plant 3 is installed and running.

District Staff has been working with the City and County on a Memorandum of Understanding for the Ash Tract. We will be meeting in the next two weeks with all those involved along with their legal counsel. Bob said this item is on the agenda today for the Board's review and also so that he can explain how it works.

Director Vukich asked how the Ash Tract residents and property owners feel about this. Bob said they are all in agreement and there will be a meeting scheduled with the property owners, City Staff, District Staff and Steve Perez to review this agreement with them. Bob said he feels the agreement will be beneficial for everyone.

The closure report has been finalized and we have received a copy of the draft. It will be sent out next week with a cover letter which will discuss the closure report and the proposed evaporation pond. Director Vukich asked when the District would start pumping the water out of the Ash Tract wells. Bob Jasper said as soon as the MOU is signed. He said that ½ mile of line will need to be installed from the Ashtown wells to our lateral and an easement will have to be approved through one piece of private land. He said the property owner has already agreed to give the District the easement in exchange for a turnout and three acre feet of water.

Bob Jasper explained how the seepage pit would work. He said the run-off would be pumped into an evaporation pond which would have the bottom sealed. These plans all have to be approved by the EPA. Director Conner asked how this would be affected if we put in another building. Bob Jasper said there would only be a need for one drain, so it could be in the new building and pumped to the evaporation pond or it can remain in this shop. This plan should be ready for approval at the September meeting.

President Backes asked that the September Board meeting be scheduled for September 25 because he will be on vacation prior to that date. All were in agreement.

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A presentation on the TCCWD groundwater management program is being prepared for a meeting to be held on August 27. A copy of the draft presentation was distributed to the Board for their information.

Dr. Mann and District Staff are currently working on the Tehachapi Basin Watermaster Rules and Regulations. It is planned to have these rules and regulations for Board approval prior to 1997.

Maintenance and repairs on the District's flood control facilities is nearly complete. Bob Jasper suggested that some type of an agreement needs to be made with Mountain Meadows CSD for future maintenance work to be done to clarify the responsibilities of Mountain Meadows CSD and TCCWD. He also suggested that there be a Board committee meeting with Mountain Meadows to begin work on this.

The final "Principles to Guide the CALFED Process" was sent out for the Board's information, however no formal action was required at the time. Legal Counsel has suggested that a letter be written to the KCWA stating that the District would like to remain supportive of these principles, but we would not sign any of Memorandums of Understanding that have been drafted by the Department of Water Resources for agricultural parties as they are currently written. It is a consensus of the west side districts and the groundwater districts that this letter be written. President Backes agreed with this.

EASEMENT
APPROVAL

The easement deed executed by Marie Jeanne Pellissier for the Cummings Basin Recharge Project was reviewed. Director Vukich made a motion that the easement be accepted, seconded by Director Cowan.
(Ayes 5, Noes 0)

BUDGET 1996-97

Bob Jasper reviewed the final budget and the changes that were made in the Preliminary Budget. He said he removed the money owed to the District from the State for the money they took to offset the schools, this will not be reimbursed this fiscal year. The latest word from ACWA is they are working on legislation to pay this money back to the Districts and change some of the laws that were passed a couple of years ago to take away your growth in assessed value. As far as the expenditure items, there two changes. One for the control system revamp, this item was moved out of the general fund and into the corporation fund. The miscellaneous tools and equipment amount was reduced by \$50,000 based on the savings Glenn Mueller made this year. Director Vukich also

noted the change in the Tax Revenue for 60170. Bob said the estimated cash on hand at the beginning of the year was less than anticipated. Director Conner asked about including the purchase of a water truck in the budget. Bob explained that he did not have an amount to include in the final budget, but if the District had an opportunity to purchase a water truck for a good price, contingency funds could be used.

**RESOLUTION
NO. 15-96**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
ESTABLISHING ITS ANNUAL BUDGET FOR THE FISCAL
YEAR 1996-97 FOR OPERATION OF THE DISTRICT AS A
WHOLE.**

Director Cowan introduced Resolution 15-96 and moved for its adoption. Second was made by Director Conner and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**RESOLUTION
NO. 16-96**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
ESTABLISHING ITS ANNUAL BUDGET FOR THE FISCAL
YEAR 1996-97 FOR OPERATION OF THE FLOOD CONTROL
BENEFIT ASSESSMENT ZONE NO. 1.**

Director Conner introduced Resolution 16-96 and moved for its adoption. Second was made by Director Vukich and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**September 25, 1996
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

**DIRECTORS
PRESENT**

Backes, Conner, Cowan, Prel, and Vukich

**OTHERS
PRESENT**

Robert Jasper, John Otto and Ernie Schaeffer

MINUTES

Minutes of the adjourned meeting of August 7, 1996 were approved as presented with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

Minutes of the regular meeting of August 21, 1996 were approved as presented with a motion made by Director Cowan, seconded by Director Vukich. (Ayes 5, Noes 0)

The Board then moved to agenda Item IV to accommodate the schedule of Mr. Schaeffer.

**ANTELOPE
RUN**

Mr. Schaeffer addressed the Board. He said he was here to speak about the Antelope Run Project. Bob Jasper said that the files were reviewed and staff did find that TCCWD agreed to cosponsor this project and in April, 1995 the Board voted to support the project and there was some preliminary engineering work done. After that, the project was dropped and as I understand it, the Resources Conservation District now wants to proceed with the project.

Bob Jasper said there is a possibility that some funds may be available through the Soil Conservation Service. There was an inspection of the Blackburn Dam mitigation project to determine if anymore capital was needed for the Tehachapi Watershed Project wildlife habitat. Funds were left over for this project in the SCS budget. TCCWD staff and SCS staff have agreed that the native vegetation was adequate along with a guzzler. TCCWD staff feel additional maintenance expense would be required to maintain non-native plants.

After the inspection it was decided to do some reseeding and install one additional guzzler. If there are any funds available after this project is complete, the SCS may make them available to the Resource Conservation District for the Antelope Run Project.

The engineering work that was previously done on this project was reviewed. There was also some discussion on the easements that may be required.

Ernie Schaeffer said he felt that if the District could start with the dozer work, the RCD could start the planting, and get going on pursuing some funds.

Bob Jasper said District personnel would work on the project using District equipment, but it will have to be scheduled into the normal work schedule. He also suggested that if it is necessary to hire additional help, maybe the extra pay could come out of the funds that are available.

President Backes entertained a motion that staff proceed with finalizing the engineering work required on the grading plan and do whatever preliminary grading staff feels necessary to get the project underway. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**MANAGER'S
REPORT**

Bob Jasper reviewed the details of his written report. He said the District's imported water system continues to pump at the rate of 18 cubic feet per second. Water has been ordered for October and we will probably pump through October, depending on the weather.

There was a walk through inspection on the imported water system by the Emissions Reduction Project Committee on November 17 and there will be a report given today.

The Memorandum of Understanding between the City, TCCWD, Kern County and Ashtown was approved by the City. The County is ready to approve it and it is on the Board's agenda today for approval. After it is approved, we will take the copies signed by TCCWD to the City and deliver them to Supervisor Perez. A meeting has been scheduled with the Ash Tract property owners and residents for October 9 at 7:00 p.m. at City Hall. Bob said there was also a meeting at City Hall

with representatives from the City, TCCWD and the Ashtown Board to discuss the MOU and the planned public meeting and the overall attitude was very good. The necessary easement for the water line to tie the Ash Tract well to the District's lateral has been acquired. Bob said the District is ready to start. All we have to do is come with the terms and conditions to pump the Ashtown wells. Some discussion took place on the improvements needed to operate these wells and also the annual cost of operating this system.

The EPA has approved the Supplemental Environmental Project and they are happy with the project. The District will two years to get the project started and five years to complete the project. The Consent Agreement is on the agenda for this meeting for approval.

District staff and City staff have initiated the investigation into the storm water recovery project. The City has taken soil samples from the pond and sent them into the lab. Bob said that the City has once again said that they would like the District to be the Lead Agency. Bob said he feels that the City should be the Lead Agency because the project is being conducted on City owned and controlled property and they should be responsible for the expenses. Further discussion took place on this matter, but no action was taken.

Bob Jasper reported that there has been a suit filed by someone that was bitten by a dog at Brite Lake. The dog is owned by the caretaker who is an employee of the Tehachapi Valley Recreation and Parks District. The paperwork has been sent to Legal Counsel and did contain many errors. Bob said he would keep the Board aware of any developments.

**MEMORANDUM
OF UNDER-
STANDING -
KCWA/MOJAVE**

Bob Jasper commented on this item for the Board. He said the KCWA has been negotiating a transfer of rights with the Mojave Water Agency which is a big District in San Bernadino County (Victorville, Barstow, etc.). They have had an adjudicated basin since 1994, with eight sub-basins. Their whole program is based on recharge/replenishment. They put water in the river and the farmers and cities pump it out. Because of their large storage capacity, they are able to make an agreement with KCWA to store surplus water in the wet years and in the dry years, they would relinquish the entitlement. It is a good deal for both agencies and for the other

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member units as well. The reason for the Memorandum of Understanding is the Mojave Water Agency does not have the cash to pay for the water over and above their actual demand, but they will in the years to come. So the MOU states that they will have this program and a contract will be developed for an exchange for the next few years. He said the other member units are going to approve the MOU because of the benefits involved. Bob said it will be a benefit to TCCWD during the wet years because we will have a market for surplus ag water.

President Backes entertained a motion that the KCWA/MWA Memorandum of Understanding be approved. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**WARD TERM
M & I
AGREEMENT**

Bob Jasper reviewed the Term M & I Agreement and explained it was part of the easement agreement for the connection to the Ashtown wells. He said that Mr. Ward had agreed to give the easement to the District in exchange for a turnout and an M & I contract for three acre feet of water free of charge for the first year. Bob also said that this type of an agreement was made in the past and it was very successful.

President Backes asked if Mr. Ward's property was in the City limits. It was determined that the property was within the City limits. Bob said he would contact the City to make sure there was no problem with providing water to Mr. Ward.

President Backes entertained a motion that the Term M & I agreement be approved. Motion was made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

**WARD
GRANT DEED**

President Backes entertained a motion that the Grant Deed for the Ward Easement Agreement be accepted and the President and the Secretary be authorized to sign the agreement. Motion was made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

**CUMMINGS
BASIN
RECHARGE**

This item was tabled.

**TEHACHAPI
BASIN
WATERMASTER**

The Board reviewed the Permanent Transfer of Water Right forms received from Russell Larsen. It was determined that there were errors in the amount of the transfers. Bob Jasper said there was no limitation in the Judgment as to how small the transfers can be for a base water right. Director Vukich suggested that Legal Counsel review these transfers before any action is taken. This item was tabled for further investigation.

**MOU -
ASHTOWN**

After review of this Memorandum of Understanding, Director Conner made a motion that it be accepted. Director Cowan seconded the motion. (Ayes 5, Noes-0)

**EPA
CONSENT
AGREEMENT**

The Board reviewed the EPA Consent Agreement. After discussion was complete, President Backes entertained a motion that the agreement be approved. Motion was made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)


FINANCIAL

Vouchers #211-294 totaling \$196,241.31 and additional vouchers #295-305 totaling \$10,941.59 to be paid from Fund 60170; Voucher #2 totaling \$167.50 to be paid from Fund 60179; and Voucher #8-9 totaling \$4,588.46 to be paid from Fund 60186 were reviewed for payment. President Backes entertained a motion that the bills be approved. Motion was made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**October 16, 1996
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, Glenn Mueller, John Otto and Joe Rickett
PRESENT

MINUTES Minutes of the regular meeting of September 25, 1996 were approved as presented with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

MANAGER'S Bob Jasper reported that the District is nearing the end of the pumping
REPORT season and the lake level is recovering rapidly.

•
Installation of the last two engines at Plants 2 and 3 will begin shortly. A recommendation will be made at this meeting for the purchase of the remainder of the new engines. The tanks at Plant 4 are now being installed. Joe Rickett commented that they are doing a good job and there was a brief discussion at this time on the use of bolted tanks.

Construction of the evaporation pond has begun. Bob Jasper said the most important aspect of the construction of this pond is to get a good seal on it.

A report was given on the public meeting that was held with Ash Tract residents. Director Cowan attended the meeting and he said it went well. The Memorandum of Understanding has been signed by the City and TCCWD and it is scheduled to be signed by the Board of Supervisors this week. Bob Jasper said there should not be any problem with the MOU. Bob Jasper also reported that an estimated value of the wells has been given to Jim Parker. If possible, a draft agreement for the purchase of the wells will be available for the next regular meeting. There was a discussion at this time on the option of purchasing or leasing the wells. The matter of purchasing the water rights was also discussed and Bob Jasper suggested the water rights should not be purchased by the District because it would be a conflict of interest. Bob Jasper said he would like

to obtain a ten year lease on the wells along with the water rights to allow sufficient time to clean up the nitrates. Dr. Mann has suggested it could take 10 to 15 years to clean the groundwater up. Director Conner asked what the cost of pumping would be. Bob said it would be approximately \$50 to \$75 per acre foot.

**NITRATE
POLLUTION
REMEDIATION**

This topic was covered in the Manager's Report.

The meeting of the Tehachapi-Cummings Emissions Reduction Facilities Corporation was called to order at this time.

Return to the Board of Tehachapi-Cummings County Water District.

**TEHACHAPI
BASIN
WATERMASTER**

The Tentative Budget for 1997 was reviewed and approved with a motion made by Director Vukich, seconded by Director Conner.
(Ayes 5, Noes 0)

President Backes also entertained a motion that the cost of the budget for 1997 be waived against the water rights owners. Motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

Permanent Transfer of Water Rights: Tabled.

**CUMMINGS
BASIN
RECHARGE**

Tabled.

**RESOLUTION
NO. 21-96**

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR THE TRANSFER OF FUNDS. The transfer being requested was from 60170 (General) to 60183 (Emissions Reduction Project Debt Service). Motion was made by Director Cowan, seconded by Director Vukich and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

OTHER

Bob Jasper said he would like to arrange a tour of the pump plants, including Edmonston, for the all the Board members. President Backes suggested that staff organize this trip.


Director Conner asked about building a new shop. Bob Jasper said he wanted to complete the projects that were already started before going ahead with any new projects.

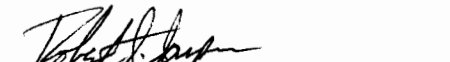
FINANCIAL

Vouchers #307-375 totaling \$98,486.04 and additional vouchers #367-387 totaling \$57,715.10 to be paid from Fund 60170; Voucher #2 totaling \$135,500.00 to be paid from Fund 60183; and Voucher #10 totaling \$251.52 to be paid from Fund 60186 were reviewed for payment. President Backes entertained a motion that the bills be approved. Motion was made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)


Karl M. Backes, President


Robert A. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**November 20, 1996
7:30 A.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Bill Duncan, Robert Jasper, John Johnson, Dr. Mann, Glenn Mueller,
PRESENT John Otto, Alex Steele, Gerald Vukich and guest

OPENING This special meeting was called for the purpose of touring the A.D.
COMMENTS Edmonston Pumping Plant and the District's imported water facilities.

ADJOURN TO The meeting was adjourned to the A.D. Edmonston Pumping Station with
A.D. EDMONSTON a motion made by Director Conner, seconded by Director Prel.
PUMPING PLANT Motion was unanimously carried.

RECONVENE AT The meeting reconvened at 8:55 a.m. at the A.D. Edmonston Pumping
A.D. EDMONSTON Station.
PUMPING PLANT

ADJOURN TO The meeting was adjourned to the District's Master Meter (WRM 15) with
MASTER METER a motion made by Director Conner, seconded by Director Vukich.
Motion was unanimously carried.

RECONVENE AT The meeting reconvened at 10:25 a.m. at the District's Master Meter.
AT MASTER METER

ADJOURN TO The meeting was adjourned to Pump Plant 1 with a motion made by
PUMP PLANT 1 Director Conner, seconded by Director Vukich. Motion was unanimously
carried.

RECONVENE AT The meeting reconvened at 10:56 a.m. at Pump Plant 1.
PUMP PLANT 1

ADJOURN TO The meeting was adjourned to Pump Plant 2 with a motion made by
PUMP PLANT 2 Director Conner, seconded by Director Prel. Motion was unanimously
carried.

Minutes

November 20, 1996

Page 2

RECONVENE AT
PUMP PLANT 2

The meeting reconvened at 11:45 a.m. at Pump Plant 2.

ADJOURN TO
PUMP PLANT 3

The meeting was adjourned to Pump Plant 3 with a motion made by Director Conner, seconded by Director Vukich. Motion was unanimously carried.

RECONVENE AT
PUMP PLANT 3

The meeting reconvened at 12:10 p.m. at Pump Plant 3.

ADJOURN TO
CO-GEN STATION

The meeting was adjourned to the Co-Gen Station with a motion made by Director Cowan, seconded by Director Prel. Motion was unanimously carried.

RECONVENE AT
CO-GEN STATION

The meeting was reconvened at 12:35 p.m. at the Co-Gen Station.

ADJOURN TO
DISTRICT
HEADQUARTERS

The meeting was adjourned to the District Headquarters with a motion made by Director Conner, seconded by Director Vukich. Motion was unanimously carried.

RECONVENE AT
DISTRICT
HEADQUARTERS

The meeting reconvened at 12:50 p.m. at the District headquarters, 22901 Banducci Road.

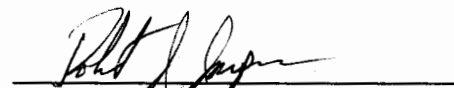
OTHER

Golden Hills CSD presented a permanent transfer of rights for approval by the Board. President Backes suggested this item be put on the agenda for the December meeting to allow the Board sufficient time to review the matter.

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Cowan. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**December 18, 1996
4:00 A.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

**DIRECTORS
PRESENT**

Backes, Conner, Cowan, Prel, and Vukich

**OTHERS
PRESENT**

David Aranda, Robert Jasper, Dr. Mann, Glenn Mueller, John Otto,
and John Zupan

MINUTES

Minutes of the Special Meeting of November 13, 1996 were reviewed and approved with a motion made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

Minutes of the Regular Meeting of November 20, 1996 were reviewed and approved with one correction. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**MANAGER'S
REPORT**

Bob Jasper reviewed the Manager's Report. He said that interruptible water is available from the State, but the gas prices are extremely high and fluctuating on a daily basis. At the last meeting of the ACWA USA, it was suggested by the gas suppliers that no contracts be signed for natural gas until the latter part of February when the prices are expected to drop. Bob Jasper reported that there is a problem now with an imbalance for October. The District ordered gas from the supplier to be delivered through Mojave, and they did not schedule it. Staff is working to get this matter corrected.

Bob Jasper said he was completing a questionnaire sent out by the Department of Water Resources for a flood control project by the Corps of Engineers. This project could possibly interrupt the State water supply. Staff will keep the Board updated on this matter.

Regarding the Antelope Run project, a meeting was held with the staff of each agency involved with the project and Bob reported on this meeting. A Memorandum of Understanding will be created for this project. President Backes said the Board has already authorized the District to participate with man power and equipment. The Tehachapi Valley Recreation and Parks District will be responsible for governing the project.

**ACWA/USA
NATURAL GAS
PROJECT
SERVICE
AGREEMENT**

The ACWA/USA Natural Gas Project Service Agreement was approved with a motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

**1997 WATER
RATES**

RESOLUTION NO. 23-96 - A RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT AMENDING ITS RESOLUTION NO. 15-76 AND 25-87 RELATING TO RATES FOR WATER AND ESTABLISHING OTHER CHARGES AND RULES AND REGULATIONS

This resolution was reviewed by the Board and discussion took place regarding the 1997 rates. Upon completion of the discussion, Director Vukich introduced and moved for the adoption of Resolution No. 3-96 in which the water rates for 1997 remain the same as those for 1996. The motion was seconded by Director Conner and roll call was taken on the vote.

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**SALARY
COMMITTEE**

Director Conner and Director Cowan were appointed to the Salary Committee for 1997.

**RESOLUTION
NO. 24-96**

RESOLUTION OF THE BOARD OF DIRECTORS OF THE OF THE TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR TRANSFER OF FUNDS.

This resolution was for the transfer of funds from Fund 60170 (General) to 60182 (Water Contract Payment) in the amount of \$100,000. Director Cowan introduced the resolution and moved for its adoption, seconded by Director Vukich and roll call was taken on the vote:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**TEHACHAPI
BASIN
WATERMASTER**

The matters of the Rules and Regulations and the Permanent Transfer of Water Rights were tabled.

The Temporary Assignment of Water Rights from John Nunes to Kern Ridgegrowers for 165 acre feet of allowed pumping allocation for the calendar year 1996 was approved with a motion made by Director Conner, seconded by Director Prel. (Ayes 5, Noes 0)

**MINUTES
MARCH 20, 1996**

President Backes entertained a motion that the March 20, 1996 minutes of the Board be amended to reflect an allowed pumping allocation of 667 acre feet on the Temporary Assignment of Water Rights from John Nunes to the City of Tehachapi. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**CUMMINGS
BASIN
RECHARGE -
EASEMENTS**

President Backes said that several of the property owners have accepted the appraised value. He then entertained a motion that the President and Secretary be authorized to execute a standard escrow instruction for those who have accepted and will accept the appraised value in the future. If they don't accept, the District will have to take separate action that will require condemnation proceedings. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

OTHER

President Backes thanked the staff for their good work and gave his compliments to all.


FINANCIAL

Vouchers #493-567 to be paid from Fund 60170 totaling \$369,273.00; Voucher #1 to be paid from 60182 totaling \$369,273.00; and Voucher #13 to be paid from Fund 60186 totaling \$3,385.25 were reviewed and approved with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Cowan. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**January 15, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper and John Otto
PRESENT

MINUTES Minutes of the Regular Meeting of December 18, 1996 were reviewed and approved with a motion made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

MANAGER'S Bob Jasper reviewed the details of his written report. He said he is
REPORT working on the summary report for the Watermaster rules and regulations.

Two permanent transfer of water rights have been on the agenda for Board consideration. Dr. Mann has asked for this meeting to be adjourned to January 29th to allow time to review these transfers and prepare a written response.

Bob Jasper reported on a problem that has arisen as a result of a State audit of the Auditor-Controllers records with the offset to the schools. After reviewing the records, an error was found in the Auditor-Controller's computations for 1992-93 and as a result, the District may owe additional funds to the State. The approximate amount due will be \$142,000.

In regard to the imbalance in last year's gas purchase, District staff will be meeting with representatives of Mojave and PanEnergy to resolve this matter. Work continues with the ACWA/JPIA Utility Services Agency in developing a contract for natural gas service for member agencies.

There was a meeting with regard to Grand Oaks Water Company. District staff met with Richard Haberman of the State Health Department and Grant Sullivan regarding the Grand Oaks water problems. District staff will continue to work on this matter. The Board discussed this matter at length.

MINUTE ORDER President Backes entertained a motion that the matter of the authorizing President and Secretary to sign escrow instructions prepared by District Legal Counsel and authorizing the Secretary to sign the Certificates of Acceptance for the Cummings Basin Recharge be added to the agenda. Motion was made by Director Cowan, seconded by Director Conner. (Ayes 5, Noes 0)

EASEMENTS - CUMMINGS BASIN RECHARGE President Backes entertained a motion that the President and Secretary be authorized to sign escrow instructions prepared by District Legal Counsel and authorizing the Secretary to sign the Certificates of Acceptance for these easements as long as they fall within the appraised value of the property. Motion was made by Director Cowan, seconded by Director Conner. (Ayes 5, Noes 0)

MINUTE ORDER President Backes entertained a motion that the matter of scheduling a public hearing be added to the agenda. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

SCHEDULING PUBLIC HEARING President Backes entertained a motion to set February 19 as the date to give the people in the easement area an opportunity to come and discuss public use and necessity issues of the Cummings Basin Recharge Project. Motion was made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

CITY OF TEHACHAPI The Board reviewed the City's offer for dedication of easement and after discussion was complete Director Cowan made a motion that the offer be rejected, seconded by Director Vukich. (Ayes 5, Noes 0)

RESOLUTION NO. 1-97 RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR TRANSFER OF FUNDS

This resolution for the transfer of funds from Fund 60182 (Water Contract Payment) to 60170 (General) in the amount of \$100,000 was reviewed by the Board. Director Conner introduced and moved for the adoption of Resolution No. 1-97, motion was seconded by Director Vukich and roll call was taken on the vote.

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**RESOLUTION
NO. 2-97**

**RESOLUTION OF THE BOARD OF DIRECTORS OF
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
FOR TRANSFER OF FUNDS**

This resolution for the transfer of funds from Fund 60170 (General) to 60187 (Tehachapi Basin Groundwater Pollution Mitigation) in the amount of \$114,500 was reviewed by the Board. Upon completion of the discussion, Director Vukich introduced and moved for the adoption of Resolution No. 2-97, motion was seconded by Director Cowan and roll call was taken on the vote.

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**RESOLUTION
NO. 3-97**

**RESOLUTION OF THE BOARD OF DIRECTORS OF
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
FOR TRANSFER OF FUNDS**

This resolution for the transfer of funds from Fund 60170 (General) to 60183 (Emissions Reduction Debt Service) in the amount of \$135,500 was reviewed by the Board. Upon completion of the discussion, Director Prel introduced and moved for the adoption of Resolution No. 3-97, motion was seconded by Director Vukich and roll call was taken on the vote.

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSTAIN: None

**TEHACHAPI
BASIN
WATERMASTER**

The following Temporary Assignment of Water Rights were considered for the calendar year 1997:

<u>From</u>	<u>To</u>	<u>Allowed Pumping</u>
Jon Hammond	Edward Sampson	3.000
Tehachapi Hospital	Golden Hills CSD	38.670

<u>From</u>	<u>To</u>	<u>Allowed Pumping</u>
Robert Scott	Golden Hills CSD	29.700
Herbert Volz	Golden Hills CSD	12.540
Diana Abel	Golden Hills CSD	11.040
Sun Trails	Golden Hills CSD	133.330
Grant Frezieres	Golden Hills CSD	91.080
Grant Frezieres	Golden Hills CSD (carryover)	46.333

After discussion was complete, President Backes entertained a motion that the Temporary Assignments be approved. Motion was made by Director Vukich, seconded by Director Cowan. (Ayes 5, Noes 0)

SALARY
COMMITTEE

The Salary Committee gave a report to the Board and after some discussion, Director Conner made a motion that a 5% cost of living increase be given across the board. Motion was seconded by Director Cowan. (Ayes 5, Noes 0)

OTHER

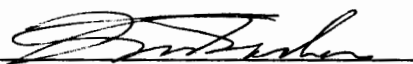
Bob Jasper thanked the Board on behalf of the District staff for their generosity.


FINANCIAL

Vouchers #580-649 to be paid from Fund 60170 totaling \$54,325.97 and additional vouchers #650-654 totaling \$1,482.53 to be paid out of 60170; Voucher #3 to be paid from 60183 totaling \$135,500 were reviewed and approved with a motion made by Director Conner, seconded by Director Prel. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned to January 29, 1997 at 4:00 P.M. with a motion made by Director Cowan, seconded by Director Conner. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**January 29, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, Joyce LaDuke, Glenn Mueller, John Otto
PRESENT and Joe Rickett

TEHACHAPI President Backes stated there are two Permanent Transfers to
BASIN consider today. Bob Jasper distributed copies of memorandums
WATERMASTER prepared by himself, Dr. Mann and Jim Parker. He then summarized
each memo and discussion took place.

Bob Jasper stated that based on his review and comments received from Dr. Mann and Jim Parker, he recommends these transfers be approved with a requirement that Golden Hills submit a formal written request for permission to change the place of extraction in addition to a description by GHCS D as to where, when and at what rate GHCS D proposes to exercise its total annual pumping allocation. GHCS D should also be required to submit a report to the Watermaster by February 1, 1998 presenting an analysis of the impact of the 1997 pumping, estimate their 1998 calendar year water demand and indicate how much water they plan to pump from each of their wells.

President Backes entertained a motion that the Board approve the permanent transfers from Sierra National Bank and William Blair to Golden Hills CSD subject to the staff report on requirements for reporting by Golden Hills including the written report stating they will pump during 1997 essentially from the same wells the same quantities as 1996. The motion made by Director Conner and seconded by Director Vukich was unanimously carried.

MINUTE ORDER President Backes entertained a motion that approval of vouchers be added to the agenda. Director Vukich made the motion, seconded by Director Conner. (Ayes 5, Noes 0)

FINANCIAL


Vouchers #655-659 to be paid from Fund 60170 totaling \$4,493.42, and Voucher #1 to be paid from 60172 totaling \$578,393.93 were reviewed and approved with a motion made by Director Cowan, seconded by Director Vukich. (Ayes 5, Noes 0)


OTHER

The Board reviewed a counter offer received from Mr. and Mrs. Taylor for their portion of the easement for the Cummings Basin Recharge. After discussion was complete, a motion was made by Director Conner to approved Legal Counsel's recommendation of a counter offer of \$400. Director Vukich seconded the motion and the vote was unanimously approved.

ADJOURNMENT

This meeting was adjourned with a motion made by Director Vukich, seconded by Director Conner. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**February 19, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

**DIRECTORS
PRESENT**

Backes, Conner, Cowan, Prel, and Vukich

**OTHERS
PRESENT**

Robert Jasper, Mike Kelly, Steve Minton, John Otto, and Joe Rickett

MINUTES

Minutes of the Regular Meeting of January 15, 1997 were reviewed and approved as amended, with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

Minutes of the Adjourned Meeting of January 29, 1997 were reviewed and approved as amended, with a motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

**MANAGER'S
REPORT**

Bob Jasper reported that work continues on schedule on the Emissions Reduction Project. District personnel have been involved in the usual maintenance and repairs on District facilities. The District mainline was shut down between Jacobsen Lake and the Tehachapi Valley to repair the line and install in-line meters so flow can be measured to the Tehachapi Valley as opposed to delivery as a whole. This will make it easier to balance our meter readings with the State and it will also help detect bad meters in a certain area.

No damage has occurred on the flood control facilities. There is a little water in the debris basin in Antelope Dam and there is water running in. Blackburn Dam is dry.

District Staff is currently working with our irrigators. We do not anticipate any change in deliveries in terms of volumes. Kern Ridgeworkers has submitted applications for water service and Kent Winter is planning to farm the Nunes property. A discussion took place on requiring a two-month deposit for water service.

Bob Jasper reported that he met with representatives of the United Farm Workers about the water situation in Keene. They are trying to figure out alternatives for water service. Another meeting is scheduled for March 5 with District Staff and Supervisor Perez to see if there may be County funds available. Bob Jasper reviewed with the Board the history of the water service problems in Keene.

General Manager attended a meeting of the ACWA/USA Natural Gas Project Service Committee. A contract has been drawn up with Pan Energy in our area and it looks favorable. Pan Energy has agreed to give us border index less 3.2 cents per MMBTU with a cap based on the core prescription. Director Vukich asked if we would pump the interruptible water or wait for the rates to drop. Bob said we would wait for lower rates.

Director Vukich said he was contacted by Dan Baer about getting water for his ranch. Director Vukich asked that Mr. Baer be sent a written response.

Bob Jasper continued his report. He said he attended a meeting with Pan Energy and Mojave Pipeline to discuss our contract and the imbalance problem. He reported that energy prices are going down fast. The estimated price for March is less than \$2.00 per MMBTU.

As a result of the Auditor-Controller's error on the transfer of funds from the District to the schools, there will be a transfer of \$143,000 to the State fund from our General fund. The payment will be divided over four quarters and paid in full in one year.

Bob Jasper reported that he wrote a letter to Lou Beck at the Department of Water Resources inquiring about the status of the money that is owed the District by the State. We are awaiting his response.

**RESOLUTION
NO. 4-97**

President Backes explained that this was a resolution of need for the Cummings Valley Recharge properties and a hearing needs to be scheduled for the District's need to acquire those properties and he suggested it be scheduled for March 19, 1997. Motion was made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

The Board moved to Item VII on the Agenda.

MEADOW-
BROOK
PARK

Bob Jasper reviewed a letter received from Tehachapi Valley Recreation and Parks District regarding the expansion of Meadowbrook Park. The letter requested that TCCWD provide M & I water to the park to assist in the expansion. Bob Jasper said this matter has been discussed in the past and we have some estimates on the capital costs of service to the park. If they had a lateral off the mainline, they could irrigate the park with project water and get off the Golden Hills water system. The precedence for this is the Stallion Springs' golf course, which is served through a turnout off our mainline, we bill the SSCSD and they in turn bill the golf course. Bob Jasper recommended that Staff be directed to work with the agencies involved to come up with a plan.

President Backes entertained a motion that District Staff be directed to work with TVRPD, GHCSO, and TUSD to try to work up a program to solve this problem and he also appointed Director Vukich to work with Staff. Motion was made by Director Vukich, seconded by Director and unanimously carried.

STATEMENT OF
INVESTMENT
POLICY

The General Manager presented the Quarterly Report of the Kern County Treasurer concerning the County's Pooled Money Investment Program and, pursuant to Government Code section 53636(e), recommended that no changes be made. Following discussion, on motion of Director Vukich, seconded by Director Conner and unanimously carried, such report was received and ordered filed.

TEHACHAPI
BASIN
WATERMASTER

The following Temporary Assignment of Water Right was considered for the calendar year 1997:

<u>From</u>	<u>To</u>	<u>Allowed Pumping</u>
Jon Hammond	GHCSO	9.990

After reviewing the Temporary Assignment of Water Right, Director Cowan made a motion that the lease be approved, seconded by Director Conner. (Ayes 5, Noes 0)

The Board also considered the Exchange Pool for 1997. A request was received from the City of Tehachapi for 100 acre feet of exchange pool water. John Nunes will be an Exchangor with 100 acre feet of water right put into the Exchange Pool. Director Conner made a motion that the Exchange Pool be approved, second was made by Director Cowan. (Ayes 5, Noes 0)

OTHER

In regard to the Grand Oaks Water District, the PUC conducted a hearing and Mr. Shirley agreed with all the conditions required to comply with State law. A discussion took place on the requirements to comply. Bob Jasper said there is still a problem with Grand Oaks being in violation of the Judgment and Legal Counsel is preparing a letter to the owners in that regard.

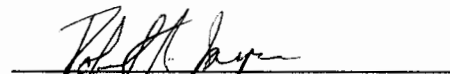
FINANCIAL

Vouchers #664-747 to be paid from Fund 60170 totaling \$238,245.67 and additional vouchers #748-752 totaling \$28,488.79 to be paid out of 60170; Voucher #3 to be paid from 60179 totaling \$7,000 were reviewed and approved with a motion made by Director Conner, seconded by Director Vukich. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Cowan, seconded by Director Conner. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**March 19, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, John Otto, Joe Rickett and Brian Hockett
PRESENT

President Backes moved to Item VII on the agenda.

REQUEST FOR CONTRIBUTION

The work done by the Mobil Irrigation Lab last year was discussed as well as the work planned for 1997. Bob Jasper said the overhead frost protection systems need to be evaluated and he asked Brian Hockett if he could evaluate them. Brian said he has evaluated some overhead sprinklers and they are not very efficient. They are also difficult to work with because they are so high. He said the growers' main concern is providing frost protection not efficiency. Bob Jasper said he feels the growers are not aware of the proper start time, temperature criteria, etc. A flyer for the Mobile Irrigation Lab was mailed out with the water bills this past month, which will provide the growers with a telephone number to contact the lab for an evaluation.

A discussion took place on the MOU that has been developed by the DWR that will be voluntary at first, but will eventually be part of the contract items. Bob said some of the larger irrigation districts are concerned about the requirements to comply with the MOU and he asked if Brian has had any discussions with the growers in the Bakersfield area, and if this will place a larger demand on his services. Brian said his services would be beneficial to the Districts because he can provide technical assistance to the growers through the Mobile Lab, as required by the contract. Bob said that would save some of the districts from hiring additional personnel and purchasing equipment to start the program. He said TCCWD would be interested in that because we may be forced to sign the contract. Bob said he feels the Mobile Irrigation Lab is going to become very important.

After discussion was complete, Director Conner made a motion the District match last year's contribution of \$1,000.00 and the motion was seconded by Director Prel. (Ayes 4, Noes 0, Absent 1)

MINUTES

Minutes of the Regular Meeting of February 19, 1997 were reviewed and approved as presented with a motion made by Director Vukich, seconded by Director Conner. (Ayes 4, Noes 0, Absent 1)

MANAGER'S
REPORT

The District began pumping project water the first of the week. There was a leak on the mainline on the Tejon Ranch, which was repaired within one day. Everything else, with the exception of the master meter, worked fine. The second meter was already installed on the line at Plant 1 and its readings were used to back up the master meter. Bob also reported District personnel would begin break-in and testing of the new engines at Plants 2 and 3. Joe Rickett added that there were multiple starts and all of the new engines started on demand.

Bob Jasper reported on the ACWA/USA Commission meeting on March 18 and the Natural Gas Project Service Agreement meeting on March 17. He said the intention was to sign a contract with Pan Energy under the PSA, but Pan Energy did not have a contract for us. Our contract is different than the other contracts because of Mojave Pipeline. Pan Energy is supposed to modify the contract for us, but they have not done that yet. The new contract will be effective May 1, 1997. District staff may contact other suppliers for prices. Gas prices have started to decline; the cost now is \$1.91 MMBTU.

In regards to the Ash Tract, District Staff had a meeting with representatives of Ashtown Mutual Water Company to discuss the agreement for the use of the wells. Representatives of Ashtown wanted the contract to be a lease/option contract. Bob said this type of agreement could be considered, but an appraisal has to be done on the real estate. An appraisal has been ordered through Karpe Fisher, and the District has received a letter from Ashtown which gives the District legal authority to go ahead with the project. The pipe has been ordered and we are getting a permit from the City to go down Goodrick Road. We are also obtaining permission from the City to use a portion of the pipeline the District dedicated to the City in 1991. A discussion took place on the funding of this project.

Bob reported the KCWA is still working on the development of policies regarding the State Water Project contract. All but two of the State contractors have signed the amendment, San Bernadino County and Ventura County have not signed.

The Board of Directors moved to the agenda for the Tehachapi-Cummings Emissions Reduction Facilities Corporation.

**RESOLUTION
NO. 4-97**

**RESOLUTION OF NECESSITY OF THE BOARD OF DIRECTORS
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT RELATING
TO CUMMINGS BASIN RECHARGE PROJECT**

Bob Jasper reported that there were no requests for a hearing.

President Backes ordered the minutes to reflect that each Board member has a copy of Resolution No. 4-97. He then asked for any questions. The Board reviewed the resolution and found an error on Page 1, Paragraph 5 referring to "ten percolation easements" and the correct number is seven. After discussion took place, Director Vukich introduced Resolution 4-97 and moved for its adoption as amended. Director Conner seconded the motion. Roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Prel and Vukich
NOES: None
ABSTAIN: None
ABSENT: Cowan

**TEHACHAPI
MOUNTAIN
COMMUNITY
RESPONSE
PLAN**

A copy of the Tehachapi Mountain Community Response Plan was provided to the Board for their review. Bob Jasper reported that this plan was necessary in the event of a disaster to allow the District to be eligible for FEMA money. The need for this type of a plan was discussed. The Tehachapi Mountain Emergency Plan which is Being developed now was also discussed.

Director Conner made a motion that the plan be adopted, seconded by Director Prel. (Ayes 4, Noes 0, Absent 1)

**TEHACHAPI
BASIN
WATERMASTER**

A Temporary Assignment of Water Rights from John Nunes to Kern Ridgegrowers for the calendar year 1996 was reviewed by the Board. The transfer was for 165 acre feet of allowed pumping allocation.

After discussion was complete, Director Conner made a motion that the lease be approved, seconded by Director Prel. (Ayes 4, Noes 0, Absent 1)

OTHER


A copy of the Negative Declaration for the Storm Water Recovery project was presented to the Board for their review. No action was taken.


FINANCIAL

Vouchers #755-825 to be paid from Fund 60170 totaling \$57,193.31 and additional vouchers #826-834 totaling \$8,059.65 to be paid out of 60170; Voucher #14 to be paid from 60186 totaling \$247.41; and Vouchers 1-2 totaling \$9,724.23 to be paid from Fund 60187 were reviewed and approved with a motion made by Director Conner, seconded by Director Vukich. (Ayes 4, Noes 0, Absent 1)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Prel. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**April 16, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

**DIRECTORS
PRESENT** Backes, Conner, Cowan, Prel, and Vukich

**OTHERS
PRESENT** Robert Jasper, John Otto, John Rombouts

MINUTES Minutes of the Regular Meeting of March 19, 1997 were reviewed and approved as presented with a motion made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**MANAGER'S
REPORT** Bob Jasper reported that the District is still operating the imported water system at the rate of 18 cubic feet per second. He explained that the pumping operations might be shut down if the reservoir reaches maximum storage before the middle of May.

Bob explained that currently, the water delivery schedules assume 100% entitlement. However, in the last month it has gone from 230% of normal in the watershed to 130% of normal. He explained that the DWR is concerned with filling the San Luis Reservoir for next year. He said meetings are scheduled at the KCWA to determine the need for cuts in entitlement. At this time, a discussion took place on the sale of excess entitlement to Westlands Water District.

In regard to the Ashtown project, General Manager reported that the City has given approval for the use of their pipeline to transport the water from the Ashtown wells into the system. The remaining pipe has been delivered and installation of that pipe will begin on Monday.

General Manager complimented Supervisor Perez for all the good service he has given the District in connection with the Ashtown Project and the Keene Water Distribution System. He also reported that the railroad is ready to begin laying pipe for the Keene water system.

The ACWA/USA is fully operational and we have a draft of the contract. Bob explained that there was a problem with our contract because of our use of Mojave Pipeline. Bob said he would like to recommend that staff be

authorized to sign the final contract when it is received if it is basically the same as the draft. The rate being offered by Pan Energy is a better rate than the other PSA rates that are being offered. The ACWA/USA is in the process of setting up electrical project service agreements. We are not ready to sign on that yet. Bob said that TCCWD would benefit from this type of an agreement. At the last commission meeting, it was disclosed that there was a bill passed by the State Legislature that authorizes special districts to become aggregators of electrical power. Bob said he was not sure what benefit this agreement would be to this District.

**STORM WATER
RECOVERY
PROJECT –
NEGATIVE
DECLARATION**

The Negative Declaration was reviewed by the Board. Bob Jasper said there were no changes in the report, but Legal Counsel has raised a question about permitting for storm water runoff discharge. After having discussions with the staff of the City of Bakersfield, it was determined that there are no requirements for the City of Tehachapi to monitor the quality of water from storm water runoff because the permit does not cover water to be stored for groundwater recharge and the law only covers cities of 100,000 people or more. Bob said there may be a requirement for a permit for groundwater recharge, but that would not be part of this project, it would be another project. Bob also said that Legal Counsel has advised that it is not appropriate for the District to approve the Negative Declaration because it is a City project.

Bob Jasper recommended that the Board approve the Project Report and everything in it except that the City of Tehachapi will be responsible for passing the Negative Declaration portion of the report. Bob also recommended that a joint powers agreement be worked up with the City in regard to the recharge project with the District serving as the lead agency.

President Backes entertained a motion that the Board accept Staff's recommendation subject to the City taking over as lead agency and securing the Negative Declaration publication. Motion was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**NATURAL GAS
CONTRACT**

President Backes entertained a motion that the Secretary be authorized to sign the gas contract as presented subject to it not being changed significantly. Director Conner made the motion, seconded by Director Vukich. (Ayes 5, Noes 0)

**ELECTRICITY
PROJECT
SERVICE
AGREEMENT**

Bob Jasper said staff is not ready to make a project agreement yet, but we are ready to join the PSA. Some discussion took place on this matter, after discussion took place, President Backes suggested that staff indicate to ACWA that we will participate in the electricity project and entertained a motion that the Board approve the participation in the Electricity Project Service Agreement. Motion was made by Director Cowan, seconded by Director Vukich. (Ayes 5, Noes 0)

**TEHACHAPI
BASIN
WATERMASTER**

The Temporary Assignment of Water Rights from Grant Sullivan to John Pulford for 10 acre feet of allowed pumping allocation was reviewed by the Board. Motion for approval was made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

**RESOLUTION
NO. 5-97**

RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR THE TRANSFER OF FUNDS. This resolution for the transfer of funds from the General Fund (60170) to the Emissions Reduction (60183) in the amount of \$135,500.00 was reviewed by the Board. Director Vukich introduced the resolution and moved for its adoption. Motion was seconded by Director Conner and roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Prel and Vukich
NOES: None
ABSTAIN: None
ABSENT: None

After discussion was complete, Director Conner made a motion that the lease be approved, seconded by Director Prel. (Ayes 5, Noes 0)

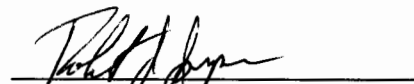
FINANCIAL

Vouchers #835-914 to be paid from Fund 60170 totaling \$80,829.69 and additional vouchers #915-927 totaling \$64,614.91 to be paid out of 60170; Voucher #4 totaling \$91.75 to be paid out of 60179; Voucher #4 totaling \$135,500.00 to be paid out of 60183; Voucher #15 to be paid from 60186 totaling \$401.25; and Vouchers 3-4 totaling \$652.00 to be paid from Fund 60187 were reviewed and approved with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Cowan. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary

**RESOLUTION
NO. 6-97**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT RELATING
TO APPROPRIATION OF VARIOUS FUNDS OF THE DISTRICT
AND IN ACCORDANCE WITH CERTAIN PROCEDURES AND
RULES RELATIVE THERTO AS DEFINED IN RESOLUTION 3-80
OF THIS BOARD OF DIRECTORS**

Resolution No. 6-97 was reviewed and unanimously approved with a motion made by Director Vukich, seconded by Director Conner. Roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSENT: None
ABSTAIN: None

**RESOLUTION
NO. 7-97**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR
TRANSFER OF FUNDS**

Resolution No. 6-97, transferring the sum of \$711,820 from Fund 60182 (KCWA Water Payment) to Fund 60170 (General), was reviewed and unanimously approved with a motion made by Director Cowan, seconded by Director Vukich. Roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSENT: None
ABSTAIN: None

**BUDGET
COMMITTEE**

President Backes appointed Directors Vukich and Cowan to the 1997-98 Budget Committee.

**REQUEST FOR
CONTRIBUTION**

The Board reviewed the request received from the Water Association of Kern County for \$750.00 to support their water awareness campaign for 1997. After discussion was complete, Director Conner made a motion to continue the District's support of the water awareness campaign. Director Vukich seconded the motion. (Ayes 5, Noes 0)

**SET HEARING
DATE FOR
ASSESSMENT
HEARING**

The Benefit Assessment for Zone No. 1 hearing was scheduled for July 30, 1997 at 1:00 p.m. at District headquarters. Director Conner made the motion, seconded by Director Vukich. (Ayes 5, Noes 0)

OTHER

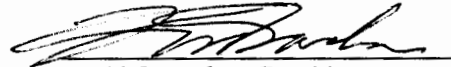

President Backes made a motion that the Board accept, with regrets, the resignation of Director Everett R. Conner and commend him on the fine job he has done as a member of the Board of Directors, and wish him well. Motion was made by Director Vukich, seconded by Director Prel.

FINANCIAL

Vouchers #929-1020 to be paid from Fund 60170 totaling \$108,448.44 and additional vouchers #1021-1034 totaling \$127,138.18 to be paid out of 60170; Voucher #2 totaling \$5,339.36 to be paid out of 60172; and Vouchers #5-12 totaling \$7,746.66 to be paid out of 60187 were reviewed and approved with a motion made by Director Conner, seconded by Director Cowan. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Conner, seconded by Director Cowan. Motion was unanimously carried.


Karl M. Backes, President
Robert J. Jasper, Secretary

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**June 18, 1997
4:00 P.M.
22901 Banducci Road**

President Backes called the meeting to order and asked for roll call.

DIRECTORS Backes, Conner, Cowan, Prel, and Vukich
PRESENT

OTHERS Robert Jasper, Dr. Mann and John Otto
PRESENT

MINUTES Minutes of the Regular Meeting of May 21, 1997 were reviewed and approved as amended with a motion made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

MANAGER'S General Manager and Assistant Manager attended an inter-agency meeting regarding a proposed new high school on the Iriart property off Highline Road. GHCS D is proposing to serve water. A dual system will be used so they can use irrigation water for landscaping and potable water will be served from the Iriart well. It is planned that the City of Tehachapi will provide the sewer service from the Tucker Road development. Discussion continued on this matter briefly and Bob Jasper said he felt the City and GHCS D would work out a plan with TUSD for the proposed project.

Bob Jasper and John Otto met with a representative of Union Pacific regarding water rights now owned by Union Pacific. A long-term water supply for Keene was also discussed. There was another meeting with Charlie Lund (Keene Store), Steve Cummings, Emilio Huarte (LaPaz) and several other interested parties. Alternative water sources were also discussed at this meeting. The Board discussed the options available for serving water to the Keene area, one being the installation of a transmission line from Tehachapi through the Loop Ranch to Keene. The sources of water were also discussed: use of water rights belonging to Union Pacific; use of exchange pool water and use of recharge water.

In regard to the change in the groundwater basin boundary, Bob Jasper reported on a meeting that took place in Steve Perez's office with the Executive Officer of the LaHanton region of the Regional Water Control Board. A joint resolution will be made between the LaHanton and the Central Valley regions that would ensure the District would only have to deal with one agency in the event of a project or a problem, depending on if the matter involved surface water or groundwater. Bob Jasper said he felt this was a good solution to the problem.

ASHTOWN
WELLS

The Board reviewed the Agreement for Well Lease/Purchase for Ashtown wells. Bob explained that the wells would be leased through the year 2013 and could be extended in one year increments, up to an additional 10 years and may be terminated by 30 days written notice at any time during the term of the agreement. The lease amount will be \$4,000 per year, payable January 2 each year. The lease of the wells from May 1997 through December 1997 is \$3,000.

The water rights will be leased separately. The term of the lease of water rights is May 1, 1997 through April 30, 2003. The rights will be leased for \$1.

The agreement also includes an option to purchase the wells for \$81,000 less all rent paid by the District; and a clause that all monies collected on the lease/purchase of the wells has to be spent on the project.

After discussion was complete, President Backes entertained a motion that the President and Secretary be authorized to sign the agreement on behalf of the District. Motion was made by Director Cowan, seconded by Director Conner. (Ayes 5, Noes 0)

RESOLUTION
NO. 8-97

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT FOR
TRANSFER OF FUNDS**

Resolution No. 8-97, transferring the sum of \$108,000.00 from Fund 60186 (Benefit Assessment Zone 1) to Fund 60170 (General), was reviewed and unanimously approved with a motion made by Director Prel, seconded by Director Vukich. Roll call was taken on the vote with the following outcome:

AYES: Backes, Conner, Cowan, Prel and Vukich
NOES: None
ABSENT: None
ABSTAIN: None

PRELIMINARY
BUDGET

General Manager reviewed the preliminary budget with the Board. The first phase of the shop building listed under the Fixed Assets was discussed. Bob said there will money available from the sale of surplus equipment to help finance this project. A complete estimate of the project has not been obtained. President Backes asked if there would be any additional borrowed money left over and Bob said there wouldn't be any borrowed funds left, but there will be other funds available. Bob reminded the Board that these figures could be changed on the final budget.

After the preliminary budget was reviewed, President Backes entertained a motion that the preliminary budget be approved as presented. Motion was made by Director Conner, seconded by Director Cowan and the vote was unanimous. President Backes complimented the committee for a job well done.

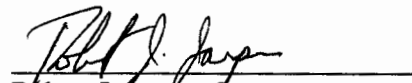
FINANCIAL

Vouchers #1,036-1,118 to be paid from Fund 60170 totaling \$65,239.96 and additional vouchers #1,119-1,132 totaling \$39,166.16 to be paid out of 60170; Voucher #13 totaling \$229,431.68 to be paid out of 60180; Voucher #2 to be Paid out of 60182 totaling \$179,728.00; Voucher #16 totaling \$42.90 and additional Voucher #17 totaling \$375.00 to be paid out of Fund 60186 and Vouchers #13-16 totaling \$1,325.81 to be paid out of 60187 were reviewed and approved with a motion made by Director Vukich, seconded by Director Conner. (Ayes 5, Noes 0)

ADJOURNMENT

This meeting was adjourned with a motion made by Director Cowan, seconded by Director Conner. Motion was unanimously carried.


Karl M. Backes, President


Robert J. Jasper, Secretary