

**SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
FEBRUARY 15, 2018
6:30 PM
Sheep Creek Water Company- Board Room
4200 Sunnyslope Road, Phelan, CA 92371**

AGENDA

- 1.) **Open Meeting- 6:30 PM**
 - a.) Flag Salute
 - b.) Invocation

- 2.) **Consent Motions**
 - a.) Minutes:
Regular Board of Directors Meeting of *January 18, 2018*
 - b.) Bills:
January 18, 2018 through February 15, 2018
 - c.) Managers Report: Included in Board Packet

- 3.) **Open Forum/Public Comment-** Under this item any member of the Board or Public may address the Board on any item relating to the district not listed on this agenda. However, the Board is prohibited under AB 240 from taking any action on an item not appearing on the agenda.

- 4.) **Old Business**
 - a.) System Update
 - b.) Well #2A Update
 - c.) Well #11 Update

- 5.) **New Business**
 - a.) John Deere
 - b.) Allotment- Customer Letter
 - c.) Annual Meeting Agenda
 - d.) Board Procedure for Discussions

- 6.) **Next Scheduled Meetings**
 - a.) March 1, 2018 Workshop
 - b.) March 15, 2018 Regular Meeting

- 7.) **Adjournment**

SHEEP CREEK WATER COMPANY

*REGULAR BOARD OF DIRECTORS MEETING
MINUTES OF
FEBRUARY 15, 2018*

The Regular Board of Directors meeting of February 15, 2018, was called to order by Andy Zody, at 6:37 PM. Mr. Zody reminded those present, that the meeting was being recorded, for the accuracy and preparation of the meeting minutes. Kellie Williams led in the Pledge of Allegiance, and the Invocation was led by David Nilsen.

Directors Present: The directors present at tonight's meeting were Andy Zody (President), Bob Howard (Vice President), Kellie Williams (Secretary/Treasurer), Luanne Uhl (Director) and David Nilsen (Director).

Staff Present: Staff present were Chris Cummings (General Manager) and April Chaplin (Administrative Secretary).

Consent Motions: Luanne Uhl moved to accept the Consent Motions as presented. Kellie Williams seconded the motion. Motion carried for consent motions.

Minutes of January 18, 2018,

Bills of January 18, 2018 through February 15, 2018

Manager's Report of February 15, 2018

Old Business:

System Update ~ No changes in the Static Well Levels. The average water levels are currently down 15 to 35 feet, from this time last year. The current production is 1045 gallons per minute. The Tunnel is still dropping. Current Tunnel flow is 129 gallons per minute. Wells 5 and 8 are pumping 5 to 12 hours per day, with Well 4A only pumping when needed. The current usage remains between 400 to 550,000 gallons per day. The crew is spending most of their time marking lines for RACE Communications, which is the installation of fiber optics. There has been a lot of damages by the RACE contractors in the Phelan Pinon Hills Community Service area. Chris explained that he had ordered more pipe and supplies in case RACE hits any of our lines. Stater Bros. water meter needed to be upgraded. They needed to do the work in the middle of the night.

California Rural Water Association ~ The CRWA submitted and approved the income survey to the State. It was approved that we are a disadvantaged community. An engineer for the CRWA is preparing a preliminary engineering report for the requested work needed for Sheep Creek Water. The first step of the engineering report that is required, is a consolidation report. A report must be prepared if State money is granted. The consolidation report looks at the advantages and disadvantages of small systems consolidating with larger systems. At this time, Sheep Creek is a somewhat financially sound system and has a functioning distribution system. The only problem with Sheep Creek's system is the lack of water.

The CRWA is having an Attorney at no cost to Sheep Creek Water, Review our by-laws and policies. The review will make any recommendations needed to bring the company into compliance with all the updated laws. It will be up to the Board to make any changes that are recommended.

Well #2A ~ Layne Christiansen completed the installation of the new pumping equipment on Well 2A. The new pump, with a 50hp motor, that is capable of producing up to 400 gallons per minute, has been set at 505' with an additional 40' of section pipe below the pump. A packer was reinstalled to help with any falling water when the water levels drop. The electrician is scheduled for Friday, to reconnect the well. Layne Christiansen will do a startup following the electrician.

Well #11 ~ Layne Christiansen is tentatively scheduled for later March, to begin drilling. Layne is submitting for the drilling permit, through environmental health. Our engineer is finishing with the storm water prevention plan. The state water resources board in Sacramento, has sent an email requesting

on CEQA, that a Mitigation Monitoring and Reporting Plan be completed and submitted. This plan outlines the procedures and who will be the responsible party for implementing the mitigation measures throughout the project.

Update ~ A customer who has had Sheep Creek Water, but property was in CSD zone, has been told that he will have to switch to the Community Service District. At a recent CSD meeting, this particular agenda item took two hours to discuss. There are several customers between both water companies. There has been no decision made yet at this time.

Kellie Williams, was concerned for the customers and any hardship.

Kellie was also concerned about RACE Communications and all the time that Sheep Creek Water is having to spend on locating lines for them.

New Business:

John Deere ~ Chris reported that Michael Siaz has offered to purchase the John Deere from the company for \$4,500.00. He would like to make payments. David Nilsen made a motion to accept Michael Siaz proposal. Bob Howard seconded the motion. Motion carried.

Allotment ~ Chris suggested that the allotment for the second share and above, be dropped from 350 c/ft. to 250 c/ft. per share, to start for the May 2018 water billing. Bob Howard made a motion to lower the allotment as presented. Luanne Uhl seconded the motion. Motion carried.

Annual Meeting Agenda ~ Kellie Williams moved to "re-write the letter regarding the allotment.

Board Procedure for Discussions ~ Mr. Nilsen felt that it is important to stick to the Agenda. Also, that the Board be better prepared at the meetings. He suggested that "Close Session" needs to be used for Personnel items and any potential litigations.

Upcoming Scheduled Meetings ~ March 1, 2018 Regular Meeting
April 5, 2018 Regular Meeting
May 19, 2018 Annual Meeting

Adjournment ~ Andy Zody moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors meeting of February 15, 2018 was adjourned at 7:30 PM.

Respectfully Submitted,

**Kellie Williams
Secretary/Treasurer
Board of Directors**