

**SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
FEBRUARY 2, 2017
6:00 PM
Sheep Creek Water Company- Board Room
4200 Sunnyslope Road, Phelan, CA 92371**

AGENDA

- 1.) **Open Meeting- 6:00 PM**
 - a.) Flag Salute
 - b.) Invocation

- 2.) **Consent Motions**
 - a.) Minutes:
Regular Board of Directors Meeting of *January 5, 2017*
 - b.) Bills:
January 5, 2017 through February 2, 2017
 - 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.) Annual Meeting Agenda Items
 - c.) Snowline School District Update

- 5.) **New Business**
 - a.) Salary Scales
 - b.) Kevin Morton- Acct 408
 - c.) Mr. & Mrs. Stutson- Acct 1380

- 6.) **Closed Session**
 - a.) Employee Evaluation

- 7.) **Next Scheduled Meetings**
 - a.) February 16, 2017
 - b.) March 2, 2017
 - c.) March 16, 2017

- 8.) **Adjournment**

***SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
MINUTES OF
FEBRUARY 2, 2017***

The Regular Board of Directors Meeting of February 2, 2017 was called to order by Vice President, Bob Howard, at 6:00 P.M. The Pledge of Allegiance was led by Kellie Williams. Invocation was led by David Nilsen. Mr. Howard reminded everyone present that the meeting was being recorded in for the purpose of accurate minutes.

Directors Present: Directors present at this meeting were President *Andy Zody*, Vice President *Bob Howard*, Secretary/Treasurer *David Nilsen* and Director *Kellie Williams*.

Staff Present: General Manager *Chris Cummings* and Administrative Secretary *April Chaplin* were present at this meeting.

Guests Present: There were no guests present at this meeting.

Consent Motions:

Minutes of January 5, 2017

Bills of January 5, 2017 through February 2, 2017

Manager Report of February 2, 2017

Kellie Williams moved to accept the Consent Motions as presented. David Nilsen seconded the motion. Motion carried.

Open Forum: Bob Howard suggested giving the Phelan Pinon Hills Community Service District the water back that Sheep Creek Water owes them. He suggested that if it was possible, he would like to get it back to them before the summer. Chris Cummings reported that there were plans for this very soon.

Old Business:

System Update – Chris reported that for the month of January, 33 acre feet of water was produced. This is a decrease of 40% from 2013. Total Production for 2016 was 789.17 acre feet. Well levels are the same. Pumping capacity is currently at 1,615 gallons per minute, which is a drop of 1,376 gallons per minute compared to December 2015.

Chris reported that he had received a phone call from California Rural Water. They are going to work with us on the Prop 1 Grant funding. Chris is in the process of getting information together for them. Discussion included, an additional backup source. Other items that included are to be Well 10, Fire Flow, Storage, and System Reliability (old line). All this information will be included. The Prop 1 Grant Funding is mainly system reliability. Bob Howard suggested filtering Chromium 6 out of the water. David Nilsen suggested a filter that he had heard about. Chris said that according to Layne Christensen that it is very hard to take out, but when we are ready, they will put together a pilot program for us.

Annual Meeting Agenda Items – New Business Items that Chris would like to add to the agenda is 1.) By Law 8.08 Amendment to allow the Board to tier the allotment. First share and second share. 2.) Present to the Shareholders, an allotment schedule, based on what the production is doing and what the allotment needs to be. 3.) Well #11 Project and cost.

Snowline School District Update – Chris explained the letter from the Company's attorney that he had received today. According to this letter, Sheep Creek is not in violation by serving the school district. Mr. Nilsen suggested arranging a meeting with the School

Superintendent, to discuss the letter that was received from the Company's attorney, also, regarding Sheep Creek Water Company's agreement with the County of San Bernardino concerning the Snowline Unified School District water service. Kellie Williams offered to meet with Dr. Holman. Bob Howard offered to go with her. Mr. Nilsen explained that the letter sent to the Company by Mr. Riffenburgh is marked as "Confidential" and he would like it to remain confidential, but the School Board needs to know that our attorney feels that Sheep Creek Water Company is not violating any laws by servicing the school district.

New Business:

Salary Scales – David Nilsen suggested that Chris bring this item back at the next meeting.

Kevin Morton (Acct 408) – Letter was written by Mr. Morton, asking the Board for a credit on his water bill during the month of August 2016. David Nilsen moved to remove overage charges on Mr. Morton's account, as a "one time" only option. Kellie Williams seconded the motion. Motion carried.

Mr. & Mrs. Stutson (Acct 1380) – The vault lid was stolen at regulator station 29. The crew had put a piece of plywood covered with dirt over the vault opening until a new lid was installed. The cover has been stolen and replaced several times over the years. The vault is five foot deep and Mr. Stutson's dogs fell through the plywood into the vault for several days until a neighbor found them. He is asking for compensation for the cost incurred in searching for the dogs, the vet bills and trauma that was caused to he and his wife while the dogs were missing.

David Nilsen moved to deny the claim, asking for compensation, from the Stutson's. Kellie seconded the motion. Motion carried.

Closed Session: Closed Session was called at 8:00 P.M. for Employee Evaluation(s)

Adjournment: Bob Howard moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors Meeting of February 2, 2017 was adjourned at 8:15 P.M.

Next Scheduled Meeting will be on February 16, 2017

Respectfully Submitted,

*David Nilsen – Secretary/Treasurer
Sheep Creek Water Company*