

**SHEEP CREEK WATER COMPANY  
REGULAR BOARD OF DIRECTORS MEETING  
JUNE 7, 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 *May 3, 2018*
  - b.) Bills:  
*May 3, 2018 through June 7, 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 #11 Update
  - c.) Annual Shareholder Meeting
  
- 5.) **New Business**
  - a.) Sep/408k Retirement
  - b.) Overage Charges
  - c.) Service Truck Replacement
  - d.) PPHCSD Water Exchange Agreement
  
- 6.) **Next Scheduled Meetings**
  - a.) June 21, 2018 Regular Board Meeting
  - b.) July 5, 2018 Board Workshop
  - c.) July 19, 2018 Regular Board Meeting
  
- 7.) **Adjournment**

***SHEEP CREEK WATER COMPANY***  
***Regular Board of Directors Meeting***  
***Minutes of***  
***June 7, 2018***

The Regular Board of Directors Meeting of June 7, 2018, was called to order by President Andy Zody at 6:31 PM. Kellie Williams led in the Pledge of Allegiance. Bob Howard led in the Invocation. Mr. Zody reminded those present that all meetings are recorded, in order to obtain accurate meeting minutes.

**Directors Present:** Directors present were, President Andy Zody, Vice President Bob Howard, and Secretary/Treasurer Kellie Williams.

**Staff Present:** Manager Chris Cummings, Administrative Secretary Dorothy Zody were present at tonight's meeting.

**Guests Present:** Tonight's guest was Shareholder Won Joo Yu

**Consent Motion:** Bob Howard moved to accept the Consent Motions as presented. Kellie Williams seconded the motion. Motion carried.

*Minutes of May 3rd*

*Bills of May 3, 2018 through June 7, 2018*

*Manager's Report*

**Open Forum:** Mr. Yu Expressed his concern with his water bill. Mr. Yu had a large leak under his foundation which led to a very high bill. Mr. Yu asked the board if they would allow him to make payments. He also expressed his concerns with the usage of others in the Korean community and stated that he's willing to speak with them on Sheep Creek Water Company's behalf to try to help them understand the importance of conserving and cutting back on water usage. The Board agreed to \$250 credit and allow Mr. Yu to make payments over the next 3 months. Bob Howard presented the motion. Kellie Williams seconded the motion. Motion carried.

**Old Business:**

**System Update:** Static well levels have all dropped 17-38 feet. Pumping water levels has dropped 17-59 feet. Tunnel flow is currently 125 GPM. Production has dropped 89 GPM this week. Wells 5 & 8 are pumping 12-16 hours per day. Wells 4A and 3A are running several days a week. Curreant usage is averaging 600,000-900,000 gallons per day. Usage is down 9% from last year and production is down 11% from last May. Assessments will go out June 15 2018 and the stock sale is scheduled for August 18, 2018.

**Well #11:** Layne completed the well and casing in May. Layne spent 76 hours swabbing and airlifting. The original quote was 40 hours and they are not going to charge Sheep Creek the 36 extra hours saving the company about \$13,000. The water level in the well when they welded the cap on was at 902ft so the water is very deep. Layne recommended swabbing before test pumping but they will have pump inside the swab so they can pump while they are swabbing which will also help with the development of the well. Due to complications getting materials they won't be here till June 25.

**Annual Meeting:** No approvals were needed due to no agenda item votes.

**New Business:-**

**SEP/408K Retirement:** No changes as of now.

**Overage Charges:** Increase of an additional 10% for overage charges was discussed in May 2018. The board decided to wait to see if overage usage decreases in June. If not the rate for overage may be increased to \$4.25 per HCF.

**Service Truck Replacement:** Manager Chris Cummings asked for the board's approval for a new service truck to replace service truck 316 due to age, mileage and increase cost of repairs. Pros and cons were discussed between Ford and Chevrolet. Bob Howard motioned to leave final decision to Manager Chris Cummings. Kellie Williams seconded the motion. Motion carried.

**PPHCSD Water Exchange Agreement:** The board agreed to move this to Old Business for the next meeting so it can be reviewed by the Board and the company attorney.

**Next Scheduled Meetings:**

**JUNE 21, 2018-** Regular Board Meeting

**JULY 5, 2018-**Regular Board Meeting

**JULY 19, 2018-** Regular Board Meeting

**Adjournment:** Bob Howard moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors meeting of June 7, 2018 was adjourned at 8:09 PM

Respectfully Submitted,

Kellie Williams  
Secretary/Treasurer  
Sheep Creek Water Company-Board of Directors