

**SHEEP CREEK WATER COMPANY**  
**REGULAR BOARD OF DIRECTORS MEETING**  
*July 19, 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 Meetings of *July 5, 2018*
  - b.) Bills:  
*July 5, 2018 through July 19, 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
  
- 5.) **New Business**
  - a.) Overage Charge- Tiered Rate Structure
  - b.) Allotment
  - c.) Well #11 Property Purchase
  
- 6.) **Next Scheduled Meetings**
  - a.) July 19, 2018 Regular Board Meeting
  - b.) August 16, 2018 Regular Board Meeting
  
- 7.) **Adjournment**

***SHEEP CREEK WATER COMPANY***  
***Regular Board of Directors Meeting***  
***Minutes of***  
***July 19, 2018***

The Regular Board of Directors Meeting of July 19, 2018, was called to order by Andy Zody, at 6:32 PM. Mr. Zody reminded everyone present that the meeting was being recorded for the accuracy of the minutes.

Kellie Williams led in the Pledge of Allegiance and David Nilsen led in the Invocation.  
**Directors Present:** Directors present were, President – Andy Zody, Vice President – Bob Howard, Secretary/Treasurer - Kellie Williams, and Directors Luanne Uhl and David Nilsen.  
**Staff Present:** Staff present at tonight's meeting was Chris Cummings – General Manager and April Chaplin – Secretary.

**Consent Motions:**     *Minutes – Regular Board of Directors Meeting of July 5, 2018*  
                              *Bills – July 5, 2018 through July 19, 2018*  
                              *Managers' Report – July 19, 2018*

Luanne Uhl moved to accept the Consent Motions of July 19, 2018 as presented, with two changes to be made regarding the minutes. One, the signer and the other was a typo. Bob Howard seconded the motion. Motion carried.

**Open Forum:** Chris Cummings reported that a customer had come in asking if they could make payments on a new water meter. After some discussion, the Board decided to stick with the company's policy of all new meters to be paid all up front.

Bob Howard reported that he is working on getting more information on Bladder Tanks. Dave wanted to know if the state will approve of the "Bladder" for our system. The price that he received was \$9,000 for two tanks.

Kellie Williams thanked everyone for helping out at the Freedom Festival. She was very proud of Sheep Creek Water.

**Old Business:**

***System Update*** – Work completed for the month of July consisted of normal everyday work orders, Well Soundings (Completed Weekly), Several Meter Upgrades, USA Markings (Race Comm), 4 Service line leaks and one main line leak. Work is continuing with CRWA for technical assistance. Smoketree water main installed between Riggins and Sierra Vista Rd (800 feet). Remaining valve setups for the Smoketree line replacement have been assembled. Critical leak detection that was completed with CRWA found no leaks. Chris reported that Wells 2A, 5 and 8 are running 24 hours a day. Wells 3A and 4A are no running at this time. Well 5 had to be turned down because it is pumping air. Well 8 is pumping the most at this time. David recommended that the pump in well 8 be lowered for more efficiency. CRWA will be videoing Wells 3A & 4A for the engineering report that they are working on. They wanted to video all the wells, but we couldn't shut all of them off at this time. They will be doing the videoing with no charge to the company.

**Well #11** – The new well is pumping 250 gallons per minute. The Board was in agreement that the new well needs to be completed ASAP. Chris reminded that we have to continue putting water main and electric in. The Board let Chris know that if he needed to hire extra help to get the new well on line then hire help.

**New Business:**

***Overage Charge /Tiered Rate Structure*** – Andy Zody's suggestion is to set all the shares at the same rate. Kellie Williams suggested keeping the first share at 750 c/ft, and any other shares would be 150 c/ft. The Board agreed that if it has to drop any lower, the state would have to step in. Andy Zody moved to set the overage charge at \$7.40 per 100 c/ft. Kellie Williams seconded the motion. Motion carried.

***Allotment*** – Mr. Nilsen moved to approve the 750 / 150 c/ft per share. Kellie Williams seconded the motion. There were 4 ayes and one nay. Motion carried.

***Well #11 Property Purchase*** – Mr. Nilsen explained that we have no idea how much the pumping cost will be for Well 11, but the water from this well will be more expensive. Discussion on charging by "tiers" will continued.

Mr. Nilsen shared his concern regarding payment to finish the well. He suggested that the Board consider another Shareholder Loan, around \$500,000 at 6 ½ interest.

Regarding the letter to be sent out to the water users, Andy Zody suggested re-writing the letter so it was easier to read.

Mr. Nilsen made a motion to move forward with the purchase of the property for Well #11. Kellie Williams seconded the motion. Motion carried.

**Adjournment:** Bob Howard moved to adjourn the meeting. Luanne Uhl seconded the motion. Motion carried. The Regular Board of Directors Meeting of July 19, 2018 was adjourned at 8:20 PM.

**Respectfully Submitted**

**Kellie Williams  
Secretary/Treasurer  
Sheep Creek Water Company**