

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
AUGUST 17, 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 *July 20, 2017*
 - b.) Bills:
July 20, 2017 through August 17, 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.) Well #11 Phase #1- Update

- 5.) **New Business**
 - a.) Authorization Updates
 - 1.) Authorization for Emergency Water Transfers
 - 2.) Authorization for Legal Agent
 - b.) Shareholder Loan
 - c.) Well #11 Drilling Contractor

- 6.) **Next Scheduled Meetings**

September 7, 2017- Workshop
September 21, 2017- Regular Meeting
October 5, 2017- Workshop
October 19, 2017 Regular Meeting

- 7.) **Adjournment**

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
Minutes of
August 17, 2017

The Regular Board of Directors meeting of August 17, 2017, was called to order at 6:13 PM by Andy Zody. The Pledge of Allegiance was led by Andy Zody, and Bob Howard led in the Invocation. Mr. Zody reminded all those present, that the meeting was being recorded for accuracy of tonight's minutes.

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

Staff Present: Staff present at tonight's meeting were General Manager, Chris Cummings and Administrative Secretary April Chaplin.

Consent Motions:

Regular Board of Directors Meeting Minutes of July 20, 2017.

Sheep Creek Water Company Bills of July 20, 2017 through August 17, 2017.

Manager's Report for August 2017

David Nilsen moved to accept the following motions as presented. Kellie Williams seconded the motion, motion carried.

Open Forum: Chris asked the Board if the company could donate a pallet of waters for the youth football league in Phelan. David Nilsen moved to approve the donation. Kellie Williams seconded the motion. Motion carried.

Bob Howard reported on the water test taken by the company, Namon & Vital. The samples tested, showed 2.9 parts per billion of chromium 6. The samples were taken at Mike Siaz' property. This is water that has been blended by the CSD.

Chris reported that he is working on a revised Emergency Agreement with the CSD.

Old Business

System Upgrade ~ Static Well levels are continuing to decrease. The static levels have dropped between 8-10 feet this month. Pumping levels have dropped 10 feet in the past ten days. From the month of August, production on the wells has decreased.

Well 3A has dropped 18 gallons per minute.

Well 4A has dropped 42 gallons per minute.

Well 5 has dropped 5 gallons per minute.

Well 8 has dropped 25 gallons per minute.

Well 2A has not been running this month.

Wells 4A, 5 and 8 are pumping 12 – 18 hours per day. The Tunnel continues to drop. It is currently flowing 139 gallons per minute. The total pumping capacity is at 1,083 gallons per minute. Well 2A will remain on stand-by due to low production and is affecting Wells 3A and 4A levels. It is also affecting Well 5's production.

July's production produced 78.23 acre feet. This is a decrease of 20% from 2016 and a decrease of 35% from 2013.

July's usage was 59.945 acre feet, of water sold. This is a decrease of 27% from 2016 and 42% from 2013.

Well #11 Phase #1 – Update

At this time, during the comment period for the initial study of the Well 11 CEQA, there have been two comments received. The first was from the Native American Heritage Commission. There is a Cultural Resource Report that is being conducted for the tribes under AB52. The other comment is from SWRCB, Lahontan Regional Water Quality Control Board. Mitigation is being prepared for the comments from the SWRCB. Permits and plans will need to be prepared for waste and drilling water, during the project, along with waste water from the well after construction is complete.

The State Water Resource Control Board is asking Sheep Creek for regular updates on the water situation regarding our conservation efforts and the progress of the new source project.

New Business

Authorization Updates

Chris explained that the forms for Authorization for Emergency Water Transfers and Authorization for Legal Agent needed to be updated.

Shareholder Loan ~ Chris reported that Shareholder Mr. Bender has offered to loan the company money if the Board is interested for Well 11. David Nilsen moved to accept Mr. Bender's offer to loan us money if we need it. Kellie Williams seconded the motion. Motion carried.

Well #11 Drilling Contractor

David Nilsen moved to approve Layne Well Drilling to drill the new well. Kellie Williams seconded the motion. Motion carried.

Next Scheduled Meetings

October 5, 2017 – Workshop

October 19, 2017 – Regular Board Meeting

Adjournment: David Nilsen moved to adjourn the meeting. Bob Howard seconded the motion. Motion carried. The Regular Board of Directors Meeting of August 17, 2017 was adjourned at 7:15 PM.

Respectfully Submitted,

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