

Sheep Creek Water Company
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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN, that the Annual Meeting of the Shareholders of Sheep Creek Water Company, a California corporation, will be held at **Pinon Mesa Middle School**, located at **9298 Sheep Creek Road, Phelan, California**, on **May 14, 2022 at 10:00 a.m.**, local time, for the following purpose:

COVID-19 Precaution: precautions will be taken to provide a safe meeting for the Shareholders. Mask will be available if needed. Hand washing and sanitizing are recommended. Hand sanitizer will be available.

- I. **Open Meeting**
 - a.) Flag Salute & Invocation
 - b.) Introductions
 - 1) Board Members
 - 2) Past Board Members
 - 3) Sheep Creek Water Company Staff
 - 4) Proxy Committee

- II. **Financial Update**
 - a.) Approval of 2019, 2020 & 2021 Financial Statement

- III. **Old Business**
 - a.) Approval of Annual Meeting Minutes of 2019 & 2021
 - b.) System Update
 - c.) SWRCB Compliance Order Update
 - d.) Source Capacity Project Update

- IV. **New Business**
 - a.) Consolidation of Sheep Creek Water Company with Phelan Pinon Hills Community Service District
 - 1) Sale of Water Rights at fair market appraised value of \$13,030,000
 - 2) SCWC customer rates to be the same as PPHCSD customers
 - 3) Current SCWC customers will not pay connection fees
 - 4) SCWC staff will be integrated with PPHCSD
 - b.) Source Capacity Project Loan Repayment- Contingent on Consolidation
 - 1) Water meter fee, tier1, and tier 2 rates will remain the same. Tier 3 will increase by \$2.00

- V. **Open Forum/Public Comment-** Under this item any member of the Board or Public may address the Board on any item relating to the company 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. Board president will call on each participant and at that time you have three (3) minutes to speak.

- VI. Procedures for Voting

- VII. Election of Directors

- VIII. Adjournment

OVER →

Dear Shareholders,

*Whether or not you plan to attend the
Annual Meeting*

*Please sign, and date the enclosed proxy form.
A return envelope has been provided for your
Convenience.*

Remember,

*If you attend the meeting on May 14, 2022,
You must be signed in before 10:00 A.M.
Or your vote will not be counted!*

We hope to see you there!

*You can also send the Proxy by
E-mail: sheepcreek@verizon.net or
Fax: (760) 868-2174*