

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
August 19, 2021 ~ 6:00pm
Sheep Creek Water Company ~ Board Room via Zoom
4200 Sunnyslope Road, Phelan, CA 92371

The Regular Board of Directors Meeting of August 19, 2021, was called to order at 6:08pm by Andy Zody. Chris Cummings led in the Pledge of Allegiance and David Nilsen led in the Invocation. Mr. Zody reminded everyone that all Board Meetings are recorded for accurate meeting minutes.

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

Staff Present: General Manager, Chris Cummings was present.

Guests Present: There were no guest's at tonight's meeting.

Consent Motions:

Minutes: Regular Board of Directors Meeting of July 22, 2021

Bills: July 22, 2021 through *August 19, 2021*

Manager's Report: August 19, 2021

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

Open Forum: *Under this item, any member of the Board or Public, may address the Board on any item related to the company that is not listed on this agenda. However, the Board is prohibited under AB240 from taking any action on an item not appearing on the agenda. The Board President will call on each participant, and at that time, they will have three (3) minutes to speak.*

Old Business:

a.) System Update: Static water levels over the past three months have dropped between 9-16 feet, with steady decline weekly. Well levels are being monitored weekly. Wells 2A and 5 continue to run an average of 12 hours a day. Well 11 is running between 8 – 14 hours a day. Water usage is averaging 740,000 thousand gallons per day with a 9% increase in consumption and 1% decreased in production. The Tunnel is flowing at 136 gallons per minute with total pumping capacity down at 1,744 gallons per minute.

The Cross Connection Survey as required by the SWRCB Sanitary Survey, has been rescheduled for mid-September. The Cross Connection Survey is being completed by the IEC Engineer as part of the Technical Assistance for the Consolidation project.

The engineering for the Phelan Road widening project is starting. System facilities maps are being gathered to send to the County Engineer. At this time we do not know what facilities are in conflict and will need moved or replaced. Sheep Creek is working on a project for an emergency connection with PPHCSD at Valle Vista and Snowline. This project has been a needed job for both districts, regardless of consolidation. Both water companies have outage issues and the emergency connection will help eliminate water outages. The Nilsen Tract has only one feed from the office and when there is a break or a project 100 plus services go out of water along with water waste.

b.) PPHCSD Consolidation Update: Despite the unknown outcome of the water rights issue, the remaining construction engineering and grant applications of the consolidation project are ongoing for the possible connection points, the cross connection survey has been scheduled

to begin August 31, 2021. Meter Service GPS recording is scheduled for later in September. IEC is beginning to prepare the Grant Application and Sheep Creek will be listed as Grant Recipient.

IEC has contracted with water rights attorneys O'Laughlin and Paris LLP, in Sacramento. They specialize in Water Law and Water Rights. This firm has no affiliation with PPHCSD and will be a third party. Ernie has not given a proposal or budget at this time. Along with the Plan for the Moratorium, the Consolidation Committee will need to begin meeting with PPHCSD and continue with areas of the negotiations for the grant application. The engineer will send a list of items that will need to be discussed. A plan is still being prepared for the consolidation committee to review and submit to PPHCSD for an option to help offset the Service Connection Moratorium.

New Business:

a.) Review of Administration Fees: Stock Transfer fee is currently at \$18 per transfer. It is recommended that the fee be raised to \$22. The Stock Transfer Fee cannot be changed without Shareholder approval and a By-Law change. At this time, the Manager recommends an optional fee of \$8 be added to the transfer form if a Shareholder chooses to have their Certificate mailed Certified.

The Lost Certificate fee is currently \$15 and is sufficient at this time.

The Return Check fee is currently \$20.00 with an estimated cost of \$19.00. This fee is sufficient at this time.

The Reconnect fee is currently \$60 per reconnect with an average cost of \$51 per reconnect. The current reconnect fee is sufficient.

The Manager's recommendation would be to add the cost of the certified mail to the transfer fee. David Nilsen moved to accept the Manager's recommendation to add the additional charge of \$8.00 for customers that request to have their Stock Certificates delivered to them by Certified Mail,. Luanne seconded the motion. Motion carried.

Next Scheduled Meetings:

a.) September 16, 2021 via Zoom

b.) October 21, 2021 via Zoom

Adjournment:

David Nilsen moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors Meeting of August 19, 2021, adjourned at 6:25pm.

Respectfully Submitted,

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