

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
December 12, 2023 ~ 6:00 PM
PINON MESA MIDDLE SCHOOL- Preschool Services Building
9298 Sheep Creek Rd., Phelan, CA 92371

Anyone who like to attend meetings in person are required to RSVP not less than twenty-four (24) hours prior to the meeting.

MEETING MINUTES

1) Open Meeting- 6:00 PM

- a. The Regular Board of Directors Meeting of December 12, 2023, was called to order at 6:01 PM by President Andy Zody. Vice President Luanne Uhl led the Pledge of Allegiance. Director Eric York led the Invocation.
- b. Directors Present:
 - a. Andy Zody is in attendance as Presiding President.
 - b. Luanne Uhl is in attendance as Presiding Vice President.
 - c. Kellie Williams is in attendance as Secretary/Treasurer.
 - d. David Nilsen is in attendance as presiding Director.
 - e. Eric York is in attendance as presiding Director.
- c. Guest Present:
 - a. Shareholder Peter Barnes
- d. Staff Present: General Manager Joseph Tapia and Therese Rodriguez, General Manager Assistant, were present.

2) Consent Motions

- a. Minutes:
 - a. Regular Board of Directors Meeting- October 17, 2023
 - b. Regular Board of Directors Meeting- November 7, 2023
- b. Bills:
 - a. November 7, 2023 through December 12, 2023
- c. Managers' Report: Included in Board Packet

Dave Nilsen moved to accept the Bills, Managers Report and Minutes as present. Eric York seconded the motion.

- 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 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. Please be advised that this meeting will be recorded for documentation purposes and to help the accuracy of meeting minutes.

Kellie Williams – Update on the website calculations for Tier Pricing to be programed by the high school students. This project is their final, due Friday December 15th. I'll review their apps in January, give corrections and feedback. Final project TBD.

Kellie Williams – Tier Rate, Tier Allotment – discussion item for the next few months for the Annual Meeting. Seeking ideas from the shareholders to bring ideas for consideration.

Kellie Williams – Thanked the crew for mentoring a college student who has water management as an emphasis for a day to tour the water systems and the crew put him to work. Thank you.

4) **Old Business**

Information Items:

- a. System Update - Tapia report on healthy productions and system updates – see Appendix A. Discussion followed.
- b. SWRCB Negotiations – Nilsen reported out the committee has met and made final revisions to be sent to the state asking to end the correction notice. Nilsen asked the Board members to review it and give final feedback. The Board will email the committee or Joe Tapia with any corrections in the next week.

Action Items:

- a. New Meter Cost- Effective Date: March 1, 2024 – The New Meter was motioned at the last meeting.

Dave Nilsen moved the New Meter Cost be moved to March 1, 2024 and notifications sent via mail (in writing) the cost increase. Luanne Uhl seconded the motion. Discussion followed. Andy Zody mentioned the waiting list needs to end and each person on the list needs to be notified to either come in the office or purchase the meter or they will be removed from the list. The list will end. Meters are available and no list is needed moving forward.

Motion carried, 5 yes, 0 no.

5) **New Business**

Information Items:

- a. Shareholder Allotment Consideration – Nilsen presented a rough draft of ideas of the Shareholder Allotment and different options for the Shareholders to vote at the Annual Shareholders meeting.
 - a. Option I – keep allotment the same.
 - b. Option II – Increase the tier/allotment to 600 CU FT for all shares in Tier 1; Increase the allotment for Tier 2 to 300 CU FT for all shares.

Action Items:

- a. 2-Meters

Zody moved to accept two meters as presented. York seconded the motion.

Discussion followed.

Motion carried, 5 yes, 0 no

- b. Paystar Online Billing Software

Williams moved to accept Paystar Online Billing Software as presented. Nilsen seconded the motion.

Discussion followed.

Motion carried, 5 yes, 0 no.

- 6) **Next Scheduled Meeting**
 - a. January 16, 2024
- 7) **Closed Session 6:36 pm**
 - a. Employee Evaluation
 - b. Legal Counsel-Lawsuit
- 8) **Adjournment**

Out of closed session 7:18PM, for the record we discussed employee evaluations and legal action and information presented by Sheep Creek Water Company Legal.

Uhl moved to adjourn the meeting at 7:20 PM. York second the motion.

Motion carried, 5 yes, 0 no.

Respectfully Submitted,

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

Appendix A:
December 12, 2023

PRODUCTION

- November Production- 37.44 AF- 2023 Year to Date Production- 501.06
- November Meter Service Usage- 33.51 AF; 2023 Year to Date Consumption- 413.95

Well soundings, 2023:

- Static Water Levels compared Nov 2022 to Nov 2023:

Well 2A. Static level is up 34.65 feet.

Well 3A. Static level is up 46.20 feet.

Well 4A. Static level is up 41.58 feet.

Well 5. Static level is up 36.96 feet.

Well 8. Static level is up 55.44 feet.

Well 11. Static level is up 1 feet.

Tunnel the Tunnel flow is currently averaging 184

- Total pumping capacity as of Nov 2023 is 2,413 gpm.
- Current usage is averaging 364,000 gallons per day, 253 gallons per minute
- **Allotment Tier 1 – First share on account remain 750 CF/Share and Remaining shares 150 CF/Share. \$0.55 per hcf**
- **Allotment Tier 2 – 150 CF/Share all shares after Tier 1 \$4.50 per hcf**
- **Tier 3 Overage- No Allotment \$10.00 per hcf**

Work Completed or in Progress-November 2023

- Work orders as office requests
- Well soundings – weekly
- Samples- weekly
- 5- Meter upgrades
- 1-Mainline leaks / 0- service line leaks
- Repair fire Hydrant
- Replace 40' of 6'' C900
- Install 6'' gate valve
- Install 2 new meter service
- Well 13 Update: Scope of work will begin 12/11/2023
 - Assemble Pump, Motor, and Shroud
 - Pump Placement at 1870', Pump is 30' Long
 - 5 Surge Check Valves will be installed
 - 2- 1'' PVC Pipes to be installed with Pump
 - 6'' Discharge Nozzle Outlet will be installed
 - Stainless Steel Tubing to be installed for Well Soundings.