

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
February 20, 2024 ~ 6:00 PM
SNOWLINE SCHOOL DISTRICT-BOARD ROOM
4075 NIELSON RD, PHELAN, CA 92371

Anyone who would 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 February 20, 2024, was called to order at 6:02 PM by President Andy Zody. Vice President Luanne Uhl led the Pledge of Allegiance. Director David Nilsen led the Invocation.
- b. Directors Present:
 - a. Andy Zody is in attendance as Presiding President.
 - b. Luanne Uhl is in attendance as Vice President, Presiding 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- January 16, 2024*
- b. Bills:
 - a. *January 16, 2024 through February 20, 2024*
- c. Managers' Report: Included in Board Packet

Luanne Uhl moved to accept the Bills, Managers Report and Minutes as presented. 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 the meeting minutes.

Dave Nilsen requests to agenzize the Annual May meeting for the first Saturday in May on the next month meeting.

4) Old Business

Information Items:

- a. System Update – Tapia reported on healthy productions and system updates –See Appendix A Discussion followed. Tapia reported on Well #13 we are waiting on Eddison due to the VFD drive. Nilsen is concerned about the safety of Well #13 and recommends SCWC installs a block wall and security cameras as soon as possible.

Action Items:

- a. Shareholder Allotment Consideration
 - a. Zody discussed the allotment schedule and stages. Zody would like to cut stages down to three stages. Nilsen discussed if the water drops below 1,400 gallons per minute, then we drop the allotment back even with both back-up wells running. Zody proposes to bring options to our Annual Shareholders meeting. Nilsen proposed three options to the board for consideration and ideas for Tier allotments and pricing. This will be further discussed at the next meeting.

5) New Business

Information Items:

- a. Master Plan Draft-Update
 - a. Tapia is requesting a few updates. He also stated we are getting close with these few updates.
- b. Allotment Review Committee
 - a. Review the notes above under Shareholder Allotment Consideration and the three options to present to the Shareholders during the May meeting.

Action Items:

- a. 2 New Meters

Dave Nilsen moved to approve the two new meters. Uhl second the motion passed.

6 – yes

0 – no

- b. Account 1128

No action

6) Next Scheduled Meeting

- a. March 19, 2024

7) Closed Session

- a. Employee Evaluation
- b. Legal Counsel-Lawsuit

8) Adjournment 6:30 pm

Out of closed session at 7:02 pm. Discussion of pending lawsuit and new hires.

Nilsen moved to adjourn the meeting at 7:03 pm, York second the motion.

Motion carried, 5 yes, 0 new.

Respectfully Submitted,

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

Appendix A:
February 20, 2024

PRODUCTION

- January Production- 34.17 AF- 2023 Year to Date Production- 34.17
- January Meter Service Usage- 28.08 AF; 2023 Year to Date Consumption- 28.08

Well soundings, 2024:

- Static Water Levels compared January 2023 to January 2024:

Well 2A. Static level is up 25 FT

Well 3A. Static level is up 32 FT

Well 4A. Static level is up 36 FT

Well 5. Static level is up 32 FT

Well 8. Static level is up 55 FT

Well 11. Static level is up 1 FT

Tunnel the Tunnel flow is currently averaging 193

- Total pumping capacity as of January 2024 is 2,488 gpm.
- Current usage is averaging 295,200 gallons per day, 205 gallons per minute.

Work Completed or in Progress- January 2024

- Work orders as office requests.
- Well soundings – weekly.
- Samples- weekly
- 14- Meter upgrades
- 1-Mainline leaks / 1- service line leaks
- Well 13 Update:
 - Currently waiting for Edison and our Electrician contractor to finish the electrical work on the well. Once that is completed, we can hook up to our system and, the well drillers can come in and do start up.

- **Allotment Tier 1 – First share on account remains 750 CF/Share and Remaining shares 150 CF/Share. \$0.65 per hcf**
- **Allotment Tier 2 – 150 CF/Share all shares after Tier 1 \$5.27 per hcf**
- **Tier 3 Overage- No Allotment \$11.00 per hcf**