

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
March 17, 2026, ~ 6:00 PM
SHEEP CREEK WATER COMPANY
4200 SUNNYSLOPE 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 March 17, 2026, was called to order at 6:00 PM by President Andy Zody. General Manager Joseph Tapia led the Pledge of Allegiance. Director Eric York led the Invocation.
- b. Attendance:
 - a. Andy Zody is in attendance as presiding President.
 - b. Kellie Williams is in attendance as Secretary/Treasurer.
 - c. David Nilsen is in attendance as presiding Director.
 - d. Eric York is in attendance as presiding Director.
 - e. Luanne Uhl is in attendance as presiding Director.
- c. Guest Present:
 - a. Peter Barnes
- d. Staff Present: General Manager Joseph Tapia and Therese Rodriguez, Executive Manager, were present.
- e.

2) **Consent Motions**

- a. Minutes:
 - a. *Regular Board of Directors Meeting- February 17, 2026*
- b. Bills:
 - a. *February 17, 2026 through March 17, 2026*
- c. Managers' Report: Included in Board Packet

Eric York moved to accept the Bills, Managers Report and Minutes as presented. Luanne Uhl seconded the motion.

Motion passed 5 yes, 0 no

- 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.

Peter Barnes addressed the board and clarified that, while he intends to seek proxy votes, he does not plan to actively solicit proxies from all shareholders. He emphasized that his goal has never been to take control of the company and expressed his intention to provide reassurance so that the board can feel confident and at ease.

4) Old Business

Information Items:

a. System Update

a. See Mangers Report below.

b. Nilsen asked Mr. Tapia whether Well #5 has been connected. Mr. Tapia responded that it has not yet been hooked up, as they are currently awaiting parts. He noted that once operational, the well is expected to add approximately 500 gallons per minute (gpm) of capacity. Nilsen commented that this is great news.

Action Items:

a. 2026 Annual Shareholder Meeting Agenda

Nilsen moved to approve the agenda as presented. Uhl seconded the motion.
Motion passed 5 yes, 0 no

5) New Business

Action Items:

a. None

6) Next Scheduled Meeting

a. April 21, 2026

b. May 2, 2026, Annual Shareholder's Meeting

7) Closed Session 6:09 pm

a. Employee Evaluation

8) Adjournment

6:16 pm out of closed session. Nilsen moved adjourn the meeting at 6:17 pm. York second the motion.

Motion Passed 5 yes, 0 no

Respectfully Submitted,

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

Regular Board of Directors Meeting – Managers Report

March 17, 2026

PRODUCTION

- February Production- 49.67 AF- 2026 Year to Date Production- 106.02
- February Meter Service Usage- 27.36 AF, 2026 Year to Date Consumption- 56.83.

Well soundings, 2026:

- Static Water Levels compared October 2025 to February 2026.

Well, 2A. Static level is up 4FT.

Well, 3A. Static level same.

Well, 4A. Static level same.

Well, 5. Static level is up same.

Well, 8. Static level the same.

Well, 11. Static level is up 22 FT.

Well 13. Static level is up 4FT.

Tunnel the Tunnel flow is currently averaging 394 GPM.

- Total pumping capacity as of February 2026 is 2,411 GPM.
- Current usage averages 318,400 gallons per day, 221 gallons per minute.

Work Completed or in Progress- February 2026

- Work orders as office requests.
- Well soundings – weekly.
- Samples- weekly.
- 0-Mainline leaks / 0- service line leaks.
- System Maintenance.
- 2- Meter Upgrades.
- Repair well 5 Electrical.
- Flushed dead end Lines.
- 1-New Meter Install.
- Auto Maintenance.
- Equipment Maintenance on JCB & Case.