

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING MINUTES
April 18, 2023 ~ 6:00 PM
SHEEP CREEK WATER COMPANY – Board Room
4200 Sunnyslope Rd., Phelan, CA 92371

The Regular Board of Directors Meeting of April 18, 2023, was called to order at 6:01 PM by President Andy Zody. General Manager Joseph Tapia led the Pledge of Allegiance. Director Eric York led the Invocation. Andy Zody reminded all present and listening that all meetings are recorded for the accuracy of the minutes.

- a. Directors Present:
 - Andy Zody is in attendance as Presiding President.
 - Luanne Uhl is in attendance as Vice President, Presiding President.
 - Kellie Williams is in attendance as Secretary/Treasurer.
 - David Nilsen is in attendance as presiding Director.
 - Eric York is in attendance as presiding Director.
- b. Guests Present: Peter Barnes, Elizabeth Barnes, and James attended via Zoom.

1) Consent Motions

- a. Minutes:
 - i. *Regular Board of Directors Meeting- March 16, 2023*
 - i. *Regular Board of Directors Meeting- March 23, 2023*
- b. Bills:
 - i. *March 14, 2023 through April 18, 2023*
- c. Managers' Report: Included in Board Packet

David Nilsen moved to accept the Consent Motions are presented. Luanne Uhl seconded the motion. Motion Carried.

- 2) 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. All guests that have joined via zoom, please state your first and last name.

3) Old Business

Action Items:

- a. 2023 Annual Meeting Ballot

Information Items:

*Zody moved to approve the ballots as presented.
York seconded the motion.*

Discussion followed – Nilsen does not want the ballots to be handed out until everyone has had time to be nominated. This way, all shareholders had time to listen and not vote too early.

- a. System Update – see Appendix A

4) New Business

Action Items:

- a. Phelan Chamber of Commerce Sponsorship

Uhl – Moved to approve the Silver Sponsorship for the Phelan Chamber of Commerce.
Williams – 2nd the motion

Motion Passed – 5 yes, 0 no

- b. New Meter

Nilsen – moved to approve the Meter Application
Uhl – second the motion

Motion Passed – 5 yes, 0 no

Information Items:

- a. Parcel 303734105

Nilsen moves to lay on the table until the company lawyer provides further information.
Discussion to follow.

York seconded the motion to lie on the table.

No further discussion.

5) Next Scheduled Meeting

- a. May 6, 2023 - Annual Shareholder Meeting- Pinon Mesa Middle School-10 AM
 - i. Organizational meeting immediately following the conclusion of the meeting and counting of the votes. (All newly elected Board members are required to attend).

Nilsen's discussion followed, and he would like to post an Organizational meeting.

Nilsen wants an expert to train the board on Robert's Rules of Order in June 2023.

May 16, 2023 – Next Board meeting

6) Closed Session 7 pm

- a. Employee Evaluation
- b. Contract Negotiations Engineer
- c. Contract Negotiations Well Driller

7) Open Session 7:37 pm

- Nilsen moved to approve Employee's Annual Evaluation
Uhl seconded the motion.

Motion Passed 5 yes, 0 no

- Board reviewed the contract and would like to place the estimated cost of the engineering plan on the May 16th agenda.
- Board reviewed the contract and would like to place the well driller contract rehab on the May 16th agenda.

8) **Adjournment 7:40 pm**

Respectfully Submitted,

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

Appendix A:

PRODUCTION

- March Production- 35.22 AF; 2023 Year to Date Production- 104.09
- March Usage- 27.05 AF; 2023 Year to Date Consumption- 79.14

Well soundings, 2023:

- Static Water Levels compared March 2022 to March 2023:

Well 2A static level is up 11.55 feet – Water Level 260.14’

Well 3A static level is up 4.62 feet – Water Level 270.58’

Well 4A static level is up 3.10 – Water Level 284.44’

Well 5 static level is up 9.24 feet – Water Level 269.50’

Well 8 static level is up 9.24 feet – Water Level 310.64’

Well 11 static level had no change – Water Level 948’

Tunnel the Tunnel flow is currently averaging 156

- Well 2A running an average of 1.2 hours a day. Ran for 1 day.
- Well 3A running an average of 1.2 hours a day. Ran for 1 day.
- Well 4A running an average of 1.2 hours a day. Ran for 1 day.
- Well 5 running an average of 1.2 hour a day. Ran for 1 day.
- Well 8 running an average of 7.66 hours a day. Ran for 28 days.
- Well 11 running an average of 1 hour a day. Ran for 1 day.
- Total pumping capacity as of March 31, 2023 is 2,261 gpm.
- Current usage is averaging 284,000 gallons per day, 197 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-March 2023

- Work orders as office requests
- Well soundings – weekly
- Well samples- weekly
- 2 - Meter upgrades
- 1-Mainline leaks / 1- service line leaks
- 2-Service Line Replacements
- Valve Exercising
- San Bernardino County Environmental Services came out and measured Joshua Tree Distance on proposed well sites.