

***SHEEP CREEK WATER COMPANY***  
***Regular Board of Directors Meeting***  
***January 20, 2022 ~ 6:00pm***  
***Sheep Creek Water Company ~ Board Room via Zoom***  
***4200 Sunnyslope Road, Phelan, CA 92371***

The Regular Board of Directors Meeting of January 20, 2022, was called to order at 6:01 pm by Andy Zody. Chris Cummings led in the Pledge of Allegiance and David Nilsen led in the Invocation. Mr. Zody reminded all present that the meeting was being recorded for accurate minutes.

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

**Staff Present:** Chris Cummings was present.

**Consent Motions**

*Minutes: Regular Board of Directors Meeting ~ December 16, 2021*

*Bills: December 16, 2021 through January 20, 2022*

*Manager's Report: January 20, 2022*

David Nilsen moved to accept the Consent Motions as presented. Luanne Uhl seconded the motion. Motion carried.

**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. The Board President will call on each participant and at that time, you will have three (3) minutes to speak.*

**Old Business:**

**a.) *System Update:*** Static water levels over the past month have remained the same, without seeing any recharge. Well levels continue to be monitored weekly and reported to the State Water Board. Well 8 is running 8 – 12 hours a day. Water usage has dropped and is averaging 400,000 thousand gallons per day. The Tunnel is flowing at 140 gallons per minute. Total Pumping capacity is at 1,855 gallons per minute. Minor maintenance and cleanup was completed at the bottom of the Tunnel Shaft. The work was completed by Underground Exploration from San Diego.

Yearend inventory and job work order s have been completed.

Work Completed for the 2021 Year ~

- 105 Water Meters Replaced
- 1 New Service SWRCB approved and installed
- 12 Main Line Leaks and 4 Service Line Leaks
- 2 Regulator Vaults been replaced
- 6 Standpipes replaced with Fire Hydrants
- 13 Gate Valves added or replaced
- Additional Emergency Cross Connection installed.

Total Operations Maintenance for 2021- \$124,645

**b.) *PPHCSD Consolidation Update:*** A draft Consolidation Agreement has been reviewed by the Consolidation Committee with a few additional changes. Fire flows throughout the system have been completed, so the computer model can be calibrated.

The Water Rights analyst is being updated by the Water Rights Attorney. During our last monthly update meeting, a representative with DFA was on the call and stated water rights cannot be purchased by the State of California. There was discussion that the State may fund infrastructure. We will be meeting with PPHCSD next week to discuss additional options available if the water rights funding is not available. Also, a follow-up meeting is scheduled for next week, with all parties to discuss the Water Rights funding.

**New Business:**

a.) **2022 Annual Shareholders Meeting:** David Nilsen suggested that if there is no agreement on the Consolidation, then the Shareholder's will have to be presented on how to pay for the new wells. Chris will be working on a date and will work on preparing an Agenda and the necessary arrangements for an Annual Meeting.

**Next Scheduled Meetings:**

*February 17, 2022 via Zoom*

*March 17, 2022 via Zoom*

**Closed Session:** Employee Evaluation

**Adjournment:** Luanne Uhl moved to adjourn the Meeting and go into Closed Session. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors Meeting of January 20, 2022, was adjourned into Closed Session at 6:20 pm.

**Respectfully Submitted,**

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