

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
January 21, 2021 ~ 6:30pm
Sheep Creek Water Company ~ Board Room via Zoom
4200 Sunnyslope Road, Phelan, CA 92371

The Regular Board of Directors Meeting of January 21, 2021, was called to order by Andy Zody at 6:31 pm. Luanne Uhl led in the Pledge of Allegiance and David Nilsen led in the Invocation. Mr. Zody reminded everyone that the meeting is being recorded for accurate meeting minutes.

Directors Present: Directors present were Board President Andy Zody, Secretary/Treasurer Kellie Williams, and also present were Director's David Nilsen and Luanne Uhl.

Staff Present: General Manager Chris Cummings

Guests Present: Michael Palecki, with the Mountaineer Progress

Consent Motions

Minutes: Regular Board of Directors Meeting – December 17, 2020

Bills: December 17, 2020 through January 21, 2021

Managers' Report – January 21, 2021

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

Open Forum: *Under this item any member of the Board of Public may address the Board on any item relating to the company that is not listed on this agenda. However, the Board is prohibited under AB240 from taking any action on an item not appearing on the agenda. The Board President will call on each participant and at that time they will have three (3) minutes to speak.*

Old Business

a.) System Update: Static water levels compared to one year ago on Wells 2A, 3, 4 & 5 have had an increase between 0-6 feet with Well 8 seeing a decrease of 4 feet compared to one year ago. Well 8 is currently running daily, averaging 9-12 hours a day with Well 4A on standby. Water Usage is averaging 381,000 thousand gallons per day. Total Pumping capacity is 2,006 gallons per minute with the Tunnel averaging 133 gallons per minute.

The Asset Management Plan was submitted to SWRCB as the final directive to the updated Compliance Order Dated March 17, 2020. There has not been any responses from the SWRCB regarding any of the Directives that have been submitted.

The jobs completed for 2020 are as follows:

- 89 Meters replaced
- 5 Service lines replaced and one new service installed
- 16 System leaks – 4 Service Line leaks and 12 Main Line leaks
- 2 Standpipes replaced with fire hydrants and 4 new fire hydrants were installed
- 13 Gate valves, have been replaced.
- 4 CLA-VAL Stations have been rebuilt and upgraded to stainless steel.

Chris Cummings reported that he had received notification that the SWRCB has scheduled a Sanitary Survey for February 9th and 10th. The last inspection was completed in 2014.

b.) PPHCSD Consolidation Update: Chris Cummings has put in a request in to Hector with the SWRCB, to meet, regarding options for the service connection moratorium.

To continue to move forward with negotiations between the districts, the Consolidation Committees' recommendations that were submitted in September along with adding the discussions and recommendation that have been proposed between the Districts will be drafted into a Negotiation Agreement. Once a draft is completed it will be submitted to the Board for review and submitted to PPHCSD for review.

New Business:

a.) 2021 Annual Shareholders Meeting: Information is being put together to present to the Shareholders regarding the consolidation of Sheep Creek Water Company, with the PPHCSD. At this time, along with consolidation, the Shareholders would be approving to sell the water rights to PPHCSD upon completion of the consolidation. The sale of the water rights would be contingent on the completion of the consolidation.

The Source Capacity Project will also need to be presented to the Shareholders, with options for repayment of the project, if the consolidation falls through and Sheep Creek needs to drill the required Wells.

At this time, the Annual Shareholders Meeting will be virtual, and will be held on May 15, 2021.

Next Scheduled Meeting:

a.) February 18, 2022 via Zoom

b.) March 18, 2021 via Zoom

Mr. Nilsen suggested that starting February 18, 2021, that all Board meetings will begin At 6:00 pm. Kellie seconded the motion. Motion carried.

Closed Session

a.) Employee Evaluation

Adjournment: David Nilsen moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried. The Regular Board of Directors Meeting of January 21, 2021 was adjourned at 7:00 pm.

Respectfully Submitted,

Kellie Williams
Secretary/Treasurer
Sheep Creek Water Company