

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
June 23, 2021 ~ 6:00pm
Sheep Creek Water Company ~ Board Room via Zoom
4200 Sunnyslope Road, Phelan, CA 92371

The Regular Board of Directors Meeting of June 23, 2021, 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 everyone that tonight's meeting was being recorded for the accuracy of the minutes.

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

Staff Present: General Manager, Chris Cummings was present.

Guests Present: There were no guest's at tonight's meeting.

Consent Motions:

Minutes: Annual Shareholders Meeting of May 15, 2021
Regular Board of Directors Meeting of May 20, 2021

Bills: May 20, 2021 through June 23, 2021

Manager's Report: June 23, 2021

Open Forum: *Under this item, any member of the Board or Public, may address the Board on any item related 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.*

Mr. Zody asked that on the next Agenda, the Board discuss changing the price for Transfer and Lost Certificate Fee's. Chris Cummings explained that it would have to be a By-Law change that would have to be voted and approved at an Annual Stockholder Meeting.

Old Business:

a.) System Update: Static water levels have dropped between 7-12 feet over the past month. Well levels are currently being monitored weekly. Well 2A and 5 are running an average of 12 hours a day.

Water usage is averaging 800,000 thousand gallons per day. The Tunnel is flowing at 135 gallons per minutes. Total Pumping capacity is down at 2,006 gallons per minute.

The last planned fire hydrant and valve replacement project on Monte Vista and Amador was completed. This replaced a stand pipe with a new fire hydrant, adding 4 new gate valves replacing 2 old gate valves.

The Grade Bands on Tank 2 & 3 have been repaired. Tank 5 and 7 are currently being worked on. Tank 6 will be completed next month. As required by the Sanitary Survey, a Storage Tank Recoat plan and Schedule has been prepared and a draft sent to the State Water Board for review.

Mr. Cummings has requested a meeting to be scheduled with Hector, Eric and Sean, with the State Water Resource Control Board, to discuss the compliance timeline, wells and the ongoing Technical Assistance for the consolidation. CEQA for the Johnson Road property will be moving forward.

The IRS is currently doing an Audit on the Company's Retirement for the calendar year 2019. We requested help from the Attorney because one of the items could not be found. The IRS is requesting original plan documents from 1996, when the plan began.

b.) PPHCSD Consolidation Update: The Technical Assistance work pan and contract with IEC have finally been executed. During our monthly update meeting earlier in the month, the primary discussion was the issue of the water rights and the number of required rights that would be needed. A water rights analysis may need to be completed. The attorney is researching to verify first if the water rights can be transferred and whether they must be transferred all together.

New Business: No New Business at this time.

Next Scheduled Meetings

July 22, 2021 Regular Board of Directors Meeting- via Zoom

August 19, 2021 Regular Board of Directors Meeting- via Zoom

Adjournment: David Nilsen moved to adjourn the meeting. Kellie Williams seconded the motion. Motion carried.

The Regular Board of Directors Meeting of June 23, 2021, adjourned at 7:00pm.

Respectfully Submitted,

Kellie Williams

Sheep Creek Water Company

Board of Directors

Secretary/Treasurer

AC