

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
September 17, 2020 ~ 6:30pm
Sheep Creek Water Company ~ Board Room via Zoom
4200 Sunnyslope Road, Phelan, CA 92371

The Regular Board of Directors Meeting of September 17, 2020, was called to order by Board President Andy Zody. Chris Cummings led in the Pledge of Allegiance. The Invocation was led by Director David Nilsen. Mr. Zody reminded everyone that the meeting was being recorded for the accuracy of the meeting minutes.

Directors Present: President Andy Zody, Secretary/Treasurer Kellie Williams, Director David Nilsen and Director Luanne Uhl.

Staff Present: General Manager Chris Cummings

Guests Present: PPHCSD General Manager Don Bartz was present at the meeting for a presentation. Shareholder's Diane Hayball, Mike O'Brien, Kathy Everhart and Don Fish. PPHCSD Board Members Charlie Johnson, Deborah Philips and Rebecca Kujawa along with George Cardenas.

Mr. Zody asked for a moment of silence for two members of the community. Realtor, *Carmen Scherubel*, who was a respected member of the community and the *Tapia Family*, who have been a much loved "family" to Sheep Creek Water Company.

Consent Motions:

Minutes: *Regular Board of Directors Meeting ~ August 13, 2020*

Bills: *August 13, 2020 through September 17, 2020*

Manager's Report: Included in Directors Packets

Luanne Uhl moved to approve the Consent Motions as presented. Dave Nilsen seconded the motion. Motion carried.

Open Forum/Public:

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 AV240 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 everyone present at tonight's meeting if they had anything they needed to bring to the Board. No questions or concerns were brought up at this time.

Presentation: Phelan Pinon Hills Community Services District General Manager Don Bartz gave a presentation to the Sheep Creek Water Company Board along with those present. Mr. Bartz presentation was regarding new opportunities available for funding to consolidate SCWC with PPHCSD. <https://www.sheepcreekwater.com/meeting-minutes-and-financial-reports>

Old Business

a.) **System Update:** Static water levels have had an average decrease of 2-5 feet. The water levels compared to 1 year ago are an average of 7-11 feet higher than this time last year. Wells 3A and 5 are running daily, averaging 8-12 hours. Water usage is averaging 650,000 gallons per day. The Tunnel is averaging 133 gallons per minute.

b.) **Source Capacity Project Update:** The Notice of Determination and the Mitigation Monitoring & Reporting Program have been submitted to State Clearing House. The engineer is preparing the Storm Water Prevention plan for construction.

c.) *SWRCB Updated Compliance) Order No. 05-13-18R-002A1*

The required information was submitted to the SWRCB on August 28th for their review. At this time there has not been a response back from the state. A letter to request an extension of time for Directive 2b was submitted to the SWRCB last month after a proposal to complete the required Asset Management Plan was approved. Sheep Creek received a response late Friday with an extension approved until November 30, 2020, as that time approaches, an additional request can be submitted showing the progress of the plan. IEC and I are moving forward with the Asset Management Plan. The past few weeks I have been submitting system information and records to the engineer.

The Board of Directors decided to take no action regarding Mr. Hong's request for reimbursement.

New Business:

a.) *Jason Hong – Meter Service Reimbursement Request:* Mr. Hong purchased a ten acre parcel of vacant land with 2 meter services installed in 2006. Mr. Hong then purchased 2 additional meter services for the property. The property was to be subdivided into 4 parcels. The 2 additional meter services required that 660' of new line be installed. As of August 2018 when the SWRCB moratorium was put into place, the new line and the meters have not been installed. Mr. Hong wishes to sell the property but has been unable to without the meters installed. Mr. Hong sent a letter requesting a reimbursement for the two meter services that were purchased.

b.) *Consolidation Opportunities with PPHCS D*

- i. *Resolution to Enter into Negotiations for Consolidation***
- ii. *Letter of Intent***

Don Bartz stated that the Resolution and Letter of Intent need to be file with the SWRCB for Consolidation to proceed. Shareholder Diane Hayball and Kathy Everhart both had comments regarding the consolidation moving forward.

David Nilsen move to approve Chris Cumming's to move forward, together with Don Bartz on the Consolidation Funding. Kellie Williams seconded the motion. Motion carried.

Next Scheduled Meeting:

October 15, 2020 via Zoom

Closed Session

- a.) *Employee Evaluation***

Adjournment: David Nilsen moved to adjourn the meeting. Luanne Uhl seconded the motion. The Regular Board of Directors Meeting of September 17, 2020, adjourned at 7:39 pm

Respectfully Submitted,

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