

**SHEEP CREEK WATER COMPANY**  
**REGULAR BOARD OF DIRECTORS MEETING**  
*November 1, 2018 ~ 6:30 PM*  
**SNOWLINE SCHOOL DISTRICT - Board Room**  
**4075 Nielson Rd., Phelan, CA 92371**

**AGENDA**

- 1.) **Open Meeting- 6:30 PM**
  - a.) Flag Salute
  - b.) Invocation
  
- 2.) **Consent Motions**
  - a.) Minutes:  
*October 22, 2018*
  - b.) Bills:  
*October 22, 2018 through November 1, 2018*
  - c.) Managers Report: Included in Board Packet
  
- 3.) **Open Forum/Public Comment-** Under this item any member of the Board or Public may address the Board on any item relating to the district 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.
  
- 4.) **Old Business**
  - a.) System- Update
  - b.) Well #11- Update
  - c.) SWRCB Compliance Order NO. 05-13-18R-002- Update
  
- 5.) **New Business**
  - a.) Acct 714 Phelan Laundromat
  
- 6.) **Next Scheduled Meetings**
  - a.) November 15, 2018 Regular Board Meeting
  - b.) December 6, 2018 Regular Board Meeting
  - c.) December 20, 2018 Regular Board Meeting
  
- 7.) **Adjournment**

***SHEEP CREEK WATER COMPANY***  
***Regular Board of Directors Meeting***  
***November 1, 2018***  
***6:30 PM***  
***Snowline Joint Unified School District – Board Room***  
***4075 Nielson Road, Phelan, CA 92371***

The Regular Board of Directors Meeting of November 1, 2018 was called to order at 6:33 p.m. by Board President Andy Zody. Chris Cummings led in the Pledge of Allegiance and Bob Howard led in the Invocation. Mr. Zody thanked everyone present for taking time out of their busy schedules to attend the meeting and reminded the guests that the meeting was being recorded for accuracy of the meeting minutes.

**Directors Present:** Directors present tonight were President Andy Zody, Vice President Bob Howard, Secretary/Treasurer Kellie Williams, and Director Luanne Uhl.

**Staff Present:** Staff present at tonight's meeting were General Manager Chris Cummings and Administrative Secretary Dorothy Zody.

**Guests Present:** Tonight's Guests included Bernadette Bucnis, Robert Walker, Carmen Scherubel, and Dr. Loveless and Dawn Butler. Thank you to all who came to tonight's meeting.

**Consent Motions:** Director Luanne Uhl moved to accept the Consent Motions as presented. Secretary Kellie Williams seconded the motion. Motion Carried.

**Open Forum:**

Mr. Zody explained that under this item any member of the Board or the public may address the Board on any item relating to the district but not appearing on the agenda but noted that under **AB240** the Board is prohibited from taking any action not appearing on the agenda. Mr. Zody brought up the need for another assessment to start Well #12 and possibly Well #13 as it takes a couple of years to finish. Mr. Walker asked the Board if they know how much the next assessment will be. Manager Chris Cummings said it will be on the agenda at the Annual Shareholders Meeting in May and if it's approved then it will probably be June or July.

Mr. Walker asked if with the new Chromium 6 levels being dropped if it might work out in our favor for our Well in L.A. County. Chris explained that it's his understanding that at some point it may be brought back down to 10 ppb and at that point the well will be over the MCL. Carmen Scherubel asked the Board how we will know if we are using water from Well 11 once it's on line. Chris explained that once Well 11 is up and running and you go over your allotment that's when you go into Tier 2 which is 150 cubic feet per share that you have at the rate of \$3.46 per hcf and that will come from Well 11. If you go over that then you go into Tier 3 which is the overage charge of \$6.32 per hcf.

Dr. Loveless, who owns some property and a meter in Sheep Creek's district inquired about the Moratorium, how long it will last, who it was imposed by, how we resolve it etc. Chris explained that it was imposed by the State Water Resource Control Board (SWRCB) due to the production dropping below the highest Max Day Demand within the past ten years. Sheep Creek is completing a feasibility study as required by the SWRCB and reviewing various options to acquire additional sources.

**Old Business:**

**System update:** General Manager Chris Cummings reported static water levels had a slight increase due to the pumping times being reduced. Current total production as of October 31, 2018 is 432 GPM with Tunnel flow at 118 GPM. Well 5 is running 24 hours a day and Well 8 runs 12-16 hours a day. Current usage is averaging 500,000 gallons per day. A full system leak audit has been approved by the State and will be completed by CRWA the week of November 13<sup>th</sup> and tank inspection and cleaning is scheduled for the week of November 19<sup>th</sup>.

**Well 11:** The SWRCB will be inspecting Well 11 Wednesday November 7<sup>th</sup> for approval. Permit application has been submitted to AQMD for a District permit which will allow us to run the generator. Both Valle Vista tie-ins have been completed and the final Monte Vista connection is being scheduled.

**SWRCB Compliance Order NO.05-13-18R-0002 Update:**

IEC is moving forward with the feasibility study as required by the SWRCB Compliance Order. CRWA will submit their report to the State this week. Various options that are being reviewed are;

- Drilling another well or two,
- Discussing with the SWRCB lowering the MDD below the required 1,453 GPM which will include maintaining lower allotments,
- Consolidation will also be evaluated as an option if the other options are not acceptable by the SWRCB.

The IEC engineer has sent a request to SWRCB for an extension until December 17, 2018 for the Feasibility Study. The SWRCB has requested for priority and what average water usage for single family homes and estimated usage for the commercial projects. The State is waiting for a list of the projects from SBC Land Use Services as to what stage the project is at with a building permit. There are currently 10 projects that have meter services but no building permits. There are 6 projects that Chris has information on and has sent request for service letters to the SWRCB.

**New Business:**

**Account 714:** No action was taken by the Board regarding account 714.

**Next Scheduled Meetings:**

November 15, 2018- Regular Board of Directors Meeting

December 6, 2018- Regular Board of Directors Meeting

December 20, 2018- Regular Board of Directors Meeting

**Adjournment:**

Director Luanne Uhl made the motion to adjourn the meeting. Vice President Bob Howard seconded the motion. Motion carried. Meeting adjourned at 7:38p.m.

*Respectively Submitted,*

***Kellie Williams***

*Secretary/Treasurer*

*Sheep Creek Water Company*