

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
November 16, 2017
6:00 PM
Sheep Creek Water Company- Board Room
4200 Sunnyslope Road, Phelan, CA 92371

AGENDA

- 1.) **Open Meeting- 6:00 PM**
 - a.) Flag Salute
 - b.) Invocation

- 2.) **Consent Motions**
 - a.) Minutes:
Regular Board of Directors Meeting of *October 26, 2017*
 - b.) Bills:
October 26, 2017 through November 16, 2017
 - 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 #2A Update
 - c.) 2018 Budget

- 5.) **New Business**
 - a.) Well 2A Shareholder Loan Approval
 - b.) 2" Meter Installation Cost Increase

- 6.) **Next Scheduled Meetings**
December 21, 2017 Regular Meeting

- 7.) **Adjournment**

***SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
OF NOVEMBER 16, 2017***

Vice President Bob Howard called the meeting to order at 6:05 PM. Director Luanne Uhl led those present in the Pledge of Allegiance. Director David Nilsen then gave the Invocation.

Directors present: President Andy Zody, Vice President Bob Howard, Sec./Treas. Kellie Williams and Directors David Nilsen and Luanne Uhl.

Staff present: General Manager Chris Cummings and Administrative Secretary Sandi Moseley

Guests: None

Consent Motion: Luanne Uhl moved to accept the consent motions as presented including the Minutes of October 26, 2017, bills from October 26 through November 16th and the Manager Report. Kellie Williams seconded the motion. The motion carried.

Open Forum: David Nilsen wanted to discuss ideas about future Assessments at the next workshop.

Old Business:

- a.) **System Update** - Manager Chris Cummings reported that the static well levels have remained the same. The current production is 934 GPM without Well 2A. The tunnel continues to drop and is varying between 134 and 136 GPM. Wells 4A, 5 and 8 are still pumping between 8 and 12 hours per day. Current usage is staying at approximately 500,000 gallons per day. California Rural Water Association have begun conducting the income survey. Tom Dodson completed the cultural resource study for Well 11 and the San Manuel Band of Mission Indians have tentatively approved with a few stipulations to include if bones are found. Chris told the Board that the next Assessment will be mailed on January 11th and the Delinquent Stock Sale on March 17th. Bob Howard asked how the collection of the last Assessment was going. Chris explained that there were several customers making payments.
- b.) **Well 2A Update** – Chris explained that Layne pulled the pump and brushed and baled the well. The scale got heavier as they got deeper. There was about 5 feet of silt in the bottom of the casing which was all cleaned out after it was baled. Chris explained the difference between slotted and louvered pipe. Well 3A was contaminated with oil which is sitting between the 8 inch column pipe and 16 inch casing. Bob discussed a pressure wash option for Well 2A, 30,000 PSI which is expensive. It would cost \$25,000 to \$30,000.
- c.) **2018 Budget** – David Nilsen stated that the water rate would be changed to \$.50 HCF year round, leave the Electric/Drought surcharge at \$.15 per HCF, base rate at \$55 to be presented to the shareholders, pay outstanding loans with part of the Assessment, the Assessment will be changed to one a year after the amount is decided, and overage will be increased to \$3.85. Bob Howard asked some questions. There was some discussion to help understand all of the changes. Kellie Williams moved that the Budget of 2018 be approved as presented including all items as printed in the proposed budget. David Nilsen seconded the motion. The motion passed with 4 ayes and 1 abstention.

New Business

- a.) **Well 2A Loan Approval** – Chris Cummings asked the Board to approve the Shareholder loan of up to \$100,000 at 5% over a 4 to 5 years period offered by a Shareholder. Andy Zody moved to approve the amount at the suggestion of Manager Chris Cummings. Bob Howard seconded the motion. The motion carried.
- b.) **2” Meter Installation Cost Increase** – Chris explained that the cost to install a 2” meter has increased over the years. The current price is \$1,500.00. Chris suggests an increase for the 2” meter for a total on line cost for a 2” meter would be \$15,000. It was discussed and compared with the costs of the PPHCSD. Chris also suggested that the cost to upgrade a current meter to a 2” meter be changed to a flat \$5,000.00. David Nilsen moved to increase the cost of a 2” meter to \$15,000.00 and the upgrade cost to \$5,000.00 as suggested by Manager Chris Cummings. Luanne Uhl seconded the motion. The motion carried.

Scheduled Meetings December 21, 2017 is the next scheduled meeting

Adjournment

Luanne Uhl moved to adjourn the meeting. Kellie Williams seconded the motion. The motion carried. The meeting was adjourned at 7:35 PM.

Respectfully Submitted,

Kellie Williams

Secretary/Treasurer

Sheep Creek Water Company