

SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
JUNE 22, 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:
Annual Shareholders Meeting of *May 13, 2017*
 - b.) Bills:
May 18, 2017 through June 22, 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

- 5.) **New Business**
 - a.) Account 1384 – Philip Chung – Hwy 138/Sheepcreek Rd
 - b.) Water Conservation
 - c.) PPHCSD- Potential Emergency Exchange Agreement

- 6.) **Next Scheduled Meetings**
 - July 20, 2017- Regular Meeting
 - August 3, 2017- Workshop
 - August 17, 2017- Regular Meeting

- 7.) **Adjournment**

***SHEEP CREEK WATER COMPANY
REGULAR BOARD OF DIRECTORS MEETING
MINUTES OF
JUNE 22, 2017***

Sheep Creek Water Company Regular Board of Directors Meeting of June 22, 2017, was called to order by Bob Howard, at 6:16 PM. Luanne Uhl led in the Pledge of Allegiance and David Nilsen led the Invocation.

Directors Present: *Bob Howard* ~ Vice President, *Kellie Williams* ~ Secretary/Treasurer, and Directors *David Nilsen* and *Luanne Uhl*, were present at this meeting.

Staff Present: *Chris Cummings* ~ General Manager and *April Chaplin* ~ Administrative Secretary, were present at this meeting.

Guests Present: No guests were present at tonight's meeting.

Consent Motions: Annual Meeting Minutes of *May 13, 2017*
Bills of *May 18, 2017* through *June 22, 2017*
Manager's Report for *June 22, 2017*

After minor corrections to the Annual Meeting Minutes, David Nilsen moved to accept the *Consent Motions* as presented. Luanne Uhl seconded the motion. Motion carried.

Open Forum: David Nilsen asked about the Faith and Freedom Festival. Chris reported that Company employees, Mike Siaz and Joe Tapia, would be working Sheep Creek's booth at the festival. Director, Luanne Uhl also stated that she would be there. Chris also reported that he had purchased a banner for the booth, and would be handing out conservation kits.

Bob Howard reported that he had gone to the Phelan Pinon Hills Community Service District Engineering Committee Meeting. Bob told them that the only water that Sheep Creek wanted, was for emergency only. He does not want to ever be dependent on them. Nor should they have any leverage on this company. He strongly feels that the PPHCSD does not want to work with us.

Old Business:

System Update ~ Production in May shows a decrease of 17% from 2016. 66.45 acre feet of water was produced. Usage for May showed a decrease of 17% from 2016. Water sold in May was 55.44 acre feet. Pumping levels for all wells are decreasing as pumping times increases. Total pumping capacity is currently 1,280 gpm. Well 2A will remain in standby. Production is dropping weekly. Chris recommends that the allotment to remain as is.

Chris reported that Well 2A VFD panel had major electrical damage. The repairs have been completed. Phase 2 of the Canyon Line Replacement is progressing. The Rite Aid main installation, flushing and sampling, have been completed. 3,120 feet of 8" line has been installed, and 300 feet remain.

We have received results for the samples, using the MagNation device, for Sheep Creek Water Company, unfortunately showed no changes in the organic chemical tests. Tests for the organic chemical has also been taken for Pinon Hills Elementary School but have not been completed.

Regarding Well #11, San Bernardino County Land Use Services will be our lead agency. The application for the environmental review has been submitted. Chris received a call from the

county agent that is working on this project. She said it would take about 30 days. The property contract for Clarence Carter has been signed. State Water Resource Control Board is asking for regular well levels and static levels reports.

Chris had a conference call with California Rural Water and also the State Water Resource Control Board, yesterday, regarding funding. At this time, Sheep Creek will only be able to receive funding for technical assistance. It will not be for construction of any projects. There will have to be additional Grant applications, and they are unaware if we would be able to receive them. The technical assistance may be helpful to design certain projects, possibly with Well #11 or another well. The state has requested that California Rural Water complete an income survey. This will decide if we qualify for anything funding. The application process is on hold until the income survey is completed. If Sheep Creek does not qualify, the state has loans that may be available.

New Business:

Account 1384 ~ Philip Chung (Hwy 138/Sheep Creek Rd)

David Nilsen move to accept the new water service as presented. Kellie Williams seconded the motion. Motion carried.

Water Conservation ~ Chris presented a list of conservation efforts that were requested by the Board. Additional surcharges for electrical or drought. Increase overage charges after a drop in the allotment. Hold on placing new meter installations and sales. Restriction on construction meters. System maintenance programs will be put on hold until additional water is available and restriction on new planting of tree orchards. Continue on with conservation awareness. Discussion ensued regarding various conservation measures.

PPHCSD ~ Potential Emergency Exchange Agreement

At the PPHCSD's last meeting, Andy Zody questioned the PPHCSD Board about their lack of communication and working together. The CSD Board recommended that the Sheep Creek Water Board get together with PPHCSD's Engineering Committee. Bob Howard and Chris met with their regular committee. Chris discussed the emergency exchange agreement and also in the case of a drought emergency. Chris would like to move ahead and get an agreement in writing.

Next Scheduled Meetings

July 20, 2017 – Regular Board of Directors Meeting (Public)

August 3, 2017 – Workshop

August 17, 2017 – Regular Board of Directors Meeting (Public)

Adjournment: Kellie Williams moved to adjourn the meeting. Luanne Uhl seconded the motion. Motion carried. The Regular Board of Directors Meeting of *June 22, 2017*, was adjourned at 7:30 PM.

Respectfully Submitted,

Kellie Williams

Secretary/Treasurer Board of Directors

Sheep Creek Water Company