

SHEEP CREEK WATER COMPANY
Regular Board of Directors Meeting
September 5, 2019 ~ 6:30 PM
Snowline Joint Unified School District ~ Board Room
4075 Nielson Road, Phelan, CA 92371

The Regular Board of Directors Meeting of *September 5, 2019* was called to order at 6:31 PM by Board President Andy Zody. General Manager Chris Cummings led in the Pledge of Allegiance and Vice President Bob Howard led in the Invocation. Mr. Zody reminded all those present that the meeting was being recorded for the accuracy of the Meeting Minutes.

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

Staff Present: Staff present were General Manager Chris Cummings and Administrative Secretary April Dryden Chaplin.

Consent Motions:

Minutes: Regular Board of Directors Meeting of August 8, 2019

Bills: August 8, 2019 through September 5, 2019

Manager's Report: September 5, 2019

Luanne Uhl moved to accept the Consent Motions as presented. Bob Howard seconded the motion. Motion carried.

Old Business:

a) *System Update*

Static water levels have dropped between 3-5 feet. Pumping levels have also had a drop in water level between 1-10 feet. Water levels compared to one year ago are an average of 22 – 28 feet higher than this time last year. Production on Well 2A has begun to fall. Well 2A is on standby and Well 8 is operating daily along with Well 5.

The current pumping capacity as of the end of August is 1,372 gallons per minute, with the Tunnel averaging 128 gallons per minute. Current usage is averaging 6.5 – 700,000 gallons per day.

b) *SWRCB Compliance Order Update*

The SWRCB should have an updated compliance order to Sheep Creek by the end of the month.

New Business:

a) *Well 11 Loan Repayment Approval*

The \$5.00 base rate increase that was approved by the Shareholders at the Special Shareholder Meeting, will go in effect beginning for the September water billing. A notice was sent with the August water billing.

Bob Howard moved to accept the Shareholders vote of how to pay for the completion of Well 11. David Nilsen seconded the motion. Motion carried.

b) *Source Capacity Project*

i. *CEQA Approval*

Chris Cummings met with Tom Dodson and Associates in San Bernardino regarding the CEQA for the wells that will be required to complete the Source Capacity project. Tom will be working directly with the SWRCB to complete the CEQA process rather than work through San Bernardino County Land Use Services. An initial study can be completed for all locations that are sited. Individual studies will be completed with additional cost for each location. At this time we only have location for wells on Nielson Rd and possibly at the Sheep Creek Sunnyslope

property. Tom will include two wells on the Nielson Rd property and one well on the Sunnyslope property. Additional wells cannot be added until property locations are determined. The proposed cost for Tom Dodson to complete the initial study is \$26,500 with an additional \$10,000 for each additional parcel that is added. The added \$10,000 cost is for the Biology and Cultural Resources Studies.

Mr. Cummings recommended that the Board of Directors approve to move forward with the CEQA process for the Nielson Rd property and the Sunnyslope Property. It is also recommended that SCWC locate a third parcel to add to the CEQA Documents before proceeding. Total estimated cost with three locations is \$46,500 plus filling fees and agency fees.

David Nilsen moved to accept the CEQA project as presented. Bob Howard seconded the motion. Motion carried.

c) Well 3A

Mr. Cummings discussed rehab and maintenance of Well #3A. Well 3A was drilled in 2002 and put into service in 2003. Well 3A has only needed regular maintenance during the 16 years of service and has just under 31,000 hours and has pumped approximately 703 million gallons. There is a vibration when pumping the well and the well has seen a drop in production. Along with the recommendation of the CRWA Engineering Report for well rehabilitation. This is a good time to move forward with a rehabilitation of Well 3A.

A quote was received to pull and inspect the pumping equipment, brush and bail the casing, Well Jet the perforated areas of the casing which will also help loosen the gravel pack, also dual swab and airlift. This is the recommendations to do a complete rehab of the well, but once the well is videoed it will be determined what methods will be necessary. The quote for the recommended work is \$65,000.

David Nilsen moved to accept the rehab of Well 3A as presented. Luanne Uhl seconded the motion. Motion carried.

Closed Session: The Board of Directors adjourned into closed session.

Adjournment: Andy Zody moved to adjourn the Regular Board Meeting. Luanne Uhl seconded the motion. Motion carried. The Regular Board of Directors Meeting of *September 5, 2019* was adjourned at 6:52 PM.

Respectfully Submitted,

Kellie Williams

Secretary/Treasurer

Sheep Creek Water Company ~ Board of Directors