

CANEBRAKE COUNTY WATER DISTRICT  
Board of Directors Meeting  
Saturday, May 13, 2023

The regular meeting of the Board of Directors of Canebrake County Water District was called to order by President Jerry Bucheit at 9:00 am in McKenney Hall. Please see Attachment 1 for the meeting Agenda.

**ROLL CALL:** Bucheit called the roll with Daryl Holmes, Jr., Gunnar Ramstrum and Ellyn Hae in attendance. Also in attendance was Dean Kuns, Water Manager.

**PLEDGE OF ALLEGIANCE:**  
Holmes led the Pledge of Allegiance.

**WELCOMING OF GUESTS:** Guests in attendance at the meeting were: Mike Hammond, Bill Dimmock, George Beck, Carl McKenney, Charlie Holmes, Dani Murphy, Frank Colver, Daryl Holmes Sr., Betty Holmes

**APPROVAL OF MINUTES MARCH 11th, 2023**

Minutes are approved.

**PRESENTATION AND APPROVAL OF FINANCIAL REPORT:** Balance Sheet and Income and Expenses were included as part of a brief (Attachment 2a). The report includes layman's terms to assist the reader. Ramstrum presented and reviewed the financials. Actuals are meeting budgeted amounts. The only caution is that we are not moving any money into reserves. Ramstrum is connected to the Chase account and seeks clarification on where the pooled account is; will work with George Beck.

Wants to develop a list of items that need to be replaced and a timeline to plan reserves accordingly.

Financial concerns are as follows:

- Concern #1 - Chase Bank Rate of Returns not Exceeding Inflation
- Concern #2 - Financial Reserves not increasing much for last 3 years
- Concern #3 - Missing Financial Reserves

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Mooney asked about Fixed Assets. These assets are the historic evaluation of costs from many years ago, not a current valuation. Will consider removing from report and provide as a backup.

Ramstrum asks if there are any restrictions being a governmental organization on deposits. Will research and report at the next meeting.

Frank Colver asks how many meters are in inventory. The answer is three. Ramstrum proposes putting new meters on high users as we may be using more water because the meter is old and not turning. Bucheit lets the audience know that the method of checking that we presently use is to fill a gallon container with water and watch meter. If it reads correctly, it is functioning properly.

George Beck discusses the basics of money markets and CD's that the CCWD could utilize. Mooney wants to confirm that there hasn't been a mismanagement of funds because interests have been low until recently. Everyone agrees.

Attachment 2b, 2c, and 2d contained the detailed financial documents.

### **DISCUSS AUDIT TERM LIMIT (One year or Five years)**

Bucheit and Rastrum conducted research contacting 15 companies. Ten firms indicated that they could not as they don't perform government audits because they are not licensed. Some with proper licenses indicated they were backlogged due to Covid OR our water district was too small for their type of business.

The following are Ramstrum thoughts about one year versus five-year audits.

- Even if someone agrees to complete a five-year now, it doesn't mean they will agree in five years.
- Even if they agree to a price now, that price can change in five years.
- The CPA may not exist in five years.
- Hard to remember what happened five years ago. He is the CFO now and he remembers what happened last year. But, remembering what happened five years ago would be very difficult and what if he is not here in five years?
- A five year requires more planning and organization.

- Is it cheaper? The bid is \$4,000 per year and they will help with state submittals. The previous 5-year audit was \$13,000 but that was a special deal, and we were told it would be much higher.
- The one year also didn't take more than a few half days.

Based on the above, Ramstrum recommends that we conduct an annual audit and start on it in the summer, so we are not trying to complete it during tax season.

Bucheit notes that this affects by-laws. Will discuss later on the agenda.

Mooney supports Ramstrum's points and conducting a one-year audit.

## **PRELIMINARY BUDGET**

Ramstrum presents draft Budget (Attachment 3). He notes that perhaps we need to include more money for items that will need to be replaced. The Board talks through line items. Interest income line will be affected by interest research, property taxes for next year are unknown for now, salaries will be about the same, permits will go up, etc. Bucheit discusses many items that will have to be checked, workman's comp, mileage reimbursement, etc. will report at next meeting. Ramstrum proposes using Board Members that are in Canebrake to courier samples to the laboratory when possible and save Dean time and mileage reimbursement. Attachment 3 numbers reflect the discussion. The right column includes calculation notes. Further discussion will occur in the next month to identify pumps and other items that need replacement. This will drive the discussion about rates, donations and other methods to increase revenues.

## **GOVERNMENT FORMS AND CORRESPONDENCE:**

Bucheit read the check register. The Check register is included as Attachment 4.

Chase paperwork is completed. Bucheit and Ramstrum are the official signatories on the account.

Emergency Contact list is updated to include Kuns, Bucheit, and Hae.

SDGE bills during the time period were \$22 for the Peterson well and \$60 for the Mooney well. Using the Peterson well, at the moment, to minimize costs until the Mooney well solar array is repaired.

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## **EQUIPMENT REPORT:**

Holmes summarized the equipment report included as Attachment 5. No equipment usage during the period.

Backhoe and Dump truck clutch and brakes need to be adjusted. All the vehicles have been started and run. Holmes recommends that for safety reasons, a mobile mechanic should be contacted to go through them and repair them. Dump truck also has a wheel cylinder issue on the driver's side. Holmes will work with El Centro mechanic to come out and provide a cost estimate for repair. Holmes also recommends we change the air filters. Estimate research will be discussed at the next meeting in June.

Ron Akey will be retiring. Kathy Steuermann will be trained as the Backhoe operator. She is a full-time resident and will be a valuable resource. We need to make sure the equipment is running and safe. Ramstrum would like to see a schedule, so we are covered if there are any emergencies. Bill Dimmock will consider being a backup operator if we get the backhoe fixed.

## **WATER DELIVERY INFRASTRUCTURE UPDATE:**

Bucheit reported for the minutes on the status of the installation of the polyethylene tank. This morning volunteers laid the tank on its side with a hoist and winch. Prior to the work effort, a disinfection method was developed and a D2 operator hired to oversee the sanitation (Attachments 6a and 6b). Thank you to Andrea Collins for assisting us in locating her. The D2 operator approved the plan and is scheduled to oversee the installation on May 14<sup>th</sup>, 2023. D2 Operator will be on site to oversee plan and installation and approve if in compliance<sup>1</sup>. Ramstrum emphasized that we need to make sure we have a safety plan. He is concerned about Dean Kunz inside the tank in the heat even with the air filtration system brought by Bill Dimmock. See pictures on following page taken by Ellyn Hae and Charlie Holmes.

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<sup>1</sup> As of the posting of these minutes, the D2 Operator approved the plan and will forward her report to DEH.



In mid-April, the Priceline was cleared from Carl McKenney's to the block tank by Dean Kunz, Ron Ackey, Jerry Bucheit, and Ellyn Hae. A spray gun for half of the length until they ran out of paint and will use rollers for the remaining line. However, must paint under 90 degrees so will wait for appropriate weather.

## OLD BUSINESS:

Proposed changes to bylaws were discussed. Hae will edit the most recent Bylaws provided by Kathy Steuermann and final will be presented at next meeting in June.

Buchheit gave clarification, if we need to change a meeting, we need to give the community 72-hour notice. Also discussed that virtual meetings are precluded as we do not have the internet bandwidth.

Proposed changes to bylaws are as follows with changes bolded:

### Article IV. Section 1

Regular meeting of the Board of Directors shall be held in Canebrake Canyon at **9 A.M.** on the second Saturday....

### Article IV, Section 3.

Should the second **Saturday** fall on a legal holiday, the meeting shall be held on the following **Saturday**.

### Article VI, Section 1

Funds of the District shall be deposited in a **Federally insured financial institution** selected by the Directors of the District.

### Article VI, Section 2

**Either the President or the Chief Financial Officer may make withdrawals of funds up to \$8,000 after approval of the Board. Withdrawals greater than \$8,000 require signatures of both the President and the Chief Financial Officer after approval of the Board.**

### Article VI Section 3

The fiscal year end of the District shall be June 30. An **annual** audit plan shall be undertaken by a certified public accountant appointed or hired by the Board of Directors for that purpose.

## **SYSTEM MAINTENANCE AND REPAIRS:**

Dean Kuns presented his report covering the period March 11, 2023 – May 13, 2023 (Attachment 7). He was asked to include his daily duties with are as follows.

- Check the level of the tank,
- Read the meters on Mooney and Peterson wells and.
- check the mail.

Kunz thanked Kathy Steuermann for finding the leak this month. It was 20 yards away from the Peterson Well. She found it by walking the line. Kunz passed the line break around the room. It was from expansion and contraction from heat and cold and likely a rock or sharp object rubbing the pipe in the trench.

While clearing and painting the Price line, Dean noted that we had to pull a 300-pound rock that came down off the hill.

Mario Lando of Spears Consulting reviewed the line work. He liked seeing the way we handled the difficult terrain.

Holmes gave Dean Kunz kudos for assisting SDG&E trucks and other contractors working in Canebrake. He is also conscious of trucks driving over water lines.

Everyone thanked Dean, applause, and he left the meeting to get the parts together for the tank pipe installation. Dean delivered mail to Bucheit and printouts of the Alert to Hae for her to post.

Ramsturm would like to see a Line Leak Log developed. With the time, date and cause of leak, perhaps we will start to see patterns.

## **OLD BUSINESS:**

### Aquifer/Well Measuring Devices

Responding to a request from Frank Colver to regularly measure the depth of the CCWD wells, Hae and Ramstrum conducted research on well measuring devices. Ramstrum presented research and quotes on well/aquifer measuring devices (Attachment 8). Frank Colver offered to pay for half of the cost of the sonic device. Discussion included questions about well diameter, pros and cons of the fixed line versus the sonic. Mooney asked for clarification for the community on why are we doing this? Answer: Readings over time while pumping will give us an indication of the volume

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and strength of our wells/aquifer(s). If it decreases over time, we will know the well may not produce as much in the future. This will help us in planning. Also, if we have a record, and someone begins to draw down the water, our data can serve as a record in litigation.

Hae moves to purchase the Solinist Sonic 104 Measurement Device. Holmes seconds. Motion passes unanimously.

#### Well Water Spectrum Analysis

Hae presented information on full spectrum sampling (Attachment 9). Discussion on sampling. Frank Colver mentioned we have high sodium levels and wondered when we were going to do this. He also was told by a previous water manager that an old well down by the mailboxes contained arsenic. Mooney suggests we provide the site information to customers to test your own water individually. Bill Dimmock adds we have a history of sampling, let's sample. Hae will respond to correspondence regarding the issue.

Hae moves to purchase Tap Score Water sampling kit, conduct one sampling of the Canebrake water and report results to the customers. Ramstrum seconds. The motion passes unanimously.

#### Mooney Well Solar Array

Aaron Ross of Ross Power Solutions has been exceptionally helpful with the CCWD solar array. They took the time to find the solution, came out numerous times and targeted the problem. They have doggedly worked with the manufacturer for us, and the inverter will be replaced under warranty. Mooney asked that we send of letter or commendation thanking them for their work. Hae will draft for Bucheit signature.

#### **NEW BUSINESS:**

Ramstrum is studying to become a D1 operator.

#### **GOOD OF THE ORDER:**

Daryl Holmes Sr. had lunch with Paul Deschamp last week, a previous water manager. He has had an unfortunate series of events in his life and Daryl thought it would be nice if people could give him a call and let them know we are thinking of him.

Daryl also shared some photos of himself and Jerry's Dad working the water lines a "few" years ago. Bucheit and the rest of the board expressed their sadness that Betty and he were moving.





Frank Colver has an idea for a project to help identify leaks in the summer. Place a bypass flow meter valve off meters in strategic locations throughout the community. If there is a drop in the tank, check the bypass valves to locate the section of the system that it is in. Then you only have to look in the section. Bucheit asked Frank to write it up and we can consider it at our next meeting. We will get Frank a map.

### **CORRESPONDENCE:**

Bucheit read letter from George Beck (Attachment 10). Board members spoke to their excellent service and inflation as rationale to increase as requested.

Mooney moves to increase to \$500 per month and \$50 every two months, as requested, paid to Small Business Solutions. Hae seconds. Motion carries unanimously.

Bucheit read letter from Carl McKenney (Attachment 11). Bucheit gives backstory that it was very hard to find the leak. Carl asks to split the bill as both were culpable. Ramstrum speaks to covering the cost of the system and if we bend here we bend for all. Bill Dimmock suggests that when SDG&E has a leak they give a discount to the customer on the commodity. Frank suggests we charge the Tier One rate. Hae supports charging the Tier One rate because tiers are to promote conservation, not penalize for leaks.

Holmes thinks we should agree to the request as Carl has been generous enough to allow the CCWD to dig up his property and even helped dig himself. There is applause.

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Holmes moves to refund of \$585 on the water bill of Carl McKenney, as requested, Hae seconds. Holmes, Hae vote aye. Ramstrum, Mooney vote nay. Jerry votes aye. Motion carries.

Bucheit read letter from Bob Fritz (Attachment 12). Bucheit proposes we pass it to the CIA. Reality is that if you are not here, your house will burn down. Mike Hammond asks if we have fire hydrants. We do not have fire hydrants. Ramstrum speaks to the fact that in our bylaws we have three purposes.

1. Provide potable water
2. Maintain the roads
3. Provide a service for heavy equipment for property owners

Fires are not part of our responsibility. That is the fire department. Holmes speaks to the fact that understanding that your house could burn is part of being a Canebraker. Mooney and Hae agree.

Hae will draft letter for next meeting. "As per the bylaws, it is not within the responsibility of the CCWD to provide water for fire protection."

Bucheit thanked all for being here. Special thanks to the Holmes for the refreshments.

**ADJOURNMENT:**

Motion by Hae, seconded by Holmes to adjourn. Motion carried. Meeting adjourned at 12:47 p.m.

**NEXT MEETING:**

Saturday, June 10, 2023, at 9 AM  
McKenney Hall

Attachments  
eh