

Raineri Mutual Water Company
Annual Membership Meeting
July 9, 2025 @ 7:00 PM
Via Zoom Teleconference

Minutes

1. Call to order and attendance.

The annual membership meeting began at approximately 7:10 PM after allowing additional time for members to join. Board members present were John Camp, Westin Bolliger, Stephanie Massei, and Wade Bastien. Mihai Damian was absent. Alison Armstrong attended as the board's alternate.

Other attendees recorded in the secretary's notes were Phil Miller, Roger and Ricky Edrington, Lauren and Dave Evan, and Craig Yuhara. John Camp introduced the board and reviewed the agenda, which included financial statements, the condition of the plant, the upcoming board election, and member questions.

2. Financial report.

Stephanie Massei presented the financial report for fiscal year 2024–2025 and a five-year comparison. RMWC's fiscal year ends in March, with the next fiscal year beginning April 1st. Total income was \$79,408.50, total expenses were \$75,080.89, and net operating income was \$4,327.61. Infrastructure contributions were reported separately as restricted cash earmarked for future infrastructure projects.

At fiscal year-end, checking held \$16,690.36, savings held \$83,220.85, and the infrastructure fund held \$26,400.00, for total cash of \$126,311.21. Later in the meeting, Stephanie reported that the infrastructure fund's current balance had grown to \$41,205.23. She explained that the fund earns interest, and Wade noted that contributions had continued into the new fiscal year.

Expenses increased approximately 25 percent from the previous fiscal year. Repairs and maintenance totaled \$52,837.51, with the increase largely attributed to Water Master Gary McKenzie's higher service charges. Insurance expense was \$9,067.00, with the next policy costing \$10,851, an increase of approximately 20 percent. Stephanie cautioned that the \$1,396 reported for water compliance testing was low because the new testing provider had delayed billing. She estimated the full-year testing cost could be approximately \$2,400.

3. Retaining wall and slow-sand filters #5 and #6.

Wade Bastien reported that slow-sand filters #5 and #6 and portions of the retaining wall were tilting downslope. Filter #5 has an approximately 2-degree lean and has remained in operation to help meet summer demand. Filter #6 has an approximately 5-degree lean, had stopped functioning, and had been drained of water, although its sand and rock remained inside. Retaining-wall posts showed approximately 1 to 5 degrees of tilt. Wade had observed no change across three sets of measurements taken roughly two weeks apart.

Wade reported that soil and retaining wall specialists recommended removing the tilted filters and constructing an engineered concrete support base, with any drainage or wall problems addressed as required. The cause of the movement still required further investigation. A soil report, engineering documents, and permits would be needed before the final scope of work could be established.

The tentative plan was to pursue the necessary studies and permits during the summer, ask the county to expedite review, and remove filters #5 and #6 after August's peak demand. The goal is to construct a new base and install replacement filters as soon as possible, preferably before the wet season. In response to Roger Edrington, Wade explained that the existing filters are expected to require demolition and replacement rather than lifting and reuse.

Phil Miller asked about service impacts. Wade expected the four remaining slow-sand filters to meet demand after the summer peak. Removing both affected filters during peak demand could require conservation, with a rough estimate of a 20 percent reduction in use. Costs and the funding allocation were not yet known. Wade stated that infrastructure reserves, savings, or a combination of both might be needed. No project expenditure was put to a vote during the meeting.

4. Storage tanks, control shed, and inspection.

Wade reported an approximately 1-degree tilt in storage Tank #1, nearest the control shed, toward the slow-sand filters. The tilt might have existed for many years, and he planned to continue measuring it. A change could require a larger and more costly stabilization or replacement project.

Alison Armstrong asked whether soil testing could also inform us of future tank replacement and temporary storage arrangements. Wade said the engineer initially recommended two sampling locations near the affected filters and below the wall. Additional testing and the placement of temporary tanks would be reviewed with the engineers.

The three large storage tanks showed flaking paint, and repainting was expected to help extend their service life. The control shed had a slow roof leak that needed repair before the rainy season. The state's three-year inspection had taken place in May, but its written report has not yet arrived. Wade anticipated that tank repainting could be among the requested improvements.

5. Billing terminology and membership fee.

Stephanie announced that the term "base rate" on member bills would change to "monthly membership fee." The \$140 charge, which had included the first 1,000 gallons, would be separated into a \$138 membership fee and a \$2 charge for the first 1,000 gallons. She described this as a change in billing presentation rather than a price increase. This would be reflected in members' statements moving forward.

6. Board nominations and election process.

Westin Bolliger reviewed the upcoming election for three board seats with two-year terms. The seats held by Westin, Mihai Damian, and John Camp were coming up for election. John stated that he would be moving away. Members were encouraged to volunteer, and alternate positions were discussed as another way to participate and learn about the system.

Each active, paid-in-full membership would receive one vote through SurveyMonkey. Westin set July 16, 2025 as the deadline for all nominations during the presentation. The nominations are to include the name and short biography of the candidate, then it is to be sent over to Westin for organizing with the other volunteer nominees. Wade offered examples of biographies from earlier elections. Westin would email the community with the nomination information and distribute the electronic ballot. The election was to take place afterward; no directors were elected during this meeting.

7. Availability of additional water connections.

Phil Miller asked whether new connections were available for proposed homes near Lexington School. Wade reported that, based on his discussion with the state representative, RMWC could not currently offer additional connections. Four existing will-serve commitments had not yet begun using water, and their usage would need to be understood before the state could assess capacity for additional service.

Alison noted that at least five applicants were already on the waiting list. The discussion emphasized that new applicants should not expect an immediate connection. Members also discussed the potential financial benefit of additional customers if sufficient capacity and approval become available.

8. Hydroelectric generation.

Wade and John addressed a recurring question about generating electricity from the water system. They explained that RMWC already adds pressure to move water through treatment. A turbine would create an additional pressure loss, and they did not consider generation practical given the pumping, maintenance, and insurance costs.

9. Water lines and protection of the source.

Phil asked about eventual replacement of the Moody Gulch supply line and other distribution infrastructure. Wade expressed a preference for building reserves for major tank replacement while repairing individual line breaks as needed. He reported two small breaks caused by fallen trees, each repaired in roughly one day. Storage provided a buffer while repairs were made. Future line replacement could improve durability and possibly flow, but no replacement project or schedule was approved.

Phil also asked whether expansion of the nearby preserve and recreational access could affect the water source. Wade said he did not expect an immediate problem given the steep terrain and restricted access. He reported that the source property remained jointly owned by the water companies and that a past transfer proposal had not proceeded because advance-notice requirements would interfere with emergency access. Alison and Wade discussed potential access from the Redwood Estates area. No further action was taken on this topic.

10. Summary of follow-up items.

The principal infrastructure priority presented for the incoming board was obtaining the engineering work and permits needed for the leaning filters and retaining wall, then planning replacement after peak summer demand. Continued monitoring of the lean on Tank #1, plant shed roof repair, and review of the pending state inspection report were also identified.

Westin would send the nomination information to members and share the meeting recording after receiving the link from John. Wade would provide sample candidate biographies. Members were encouraged to watch the recording, discuss the board openings with neighbors, and participate in the election.

11. Adjournment.

After final questions and thanks to the participants, the meeting concluded at approximately 8:08 PM, based on the recording timestamps.