Raineri Mutual Water Company
Board of Directors Meeting
June 1, 2026 @ 6:30 PM
Via Zoom Teleconference

Minutes

1. **Call to order and roll call.**

   The RMWC meeting began once there was a quorum of board members to begin. The board members included Wade Bastien, Westin Bolliger, Rod Fagan, and Stephanie Massei. This meeting also featured two other participants, the new RMWC water operator, Kelly Archer, and former board president, Marty Feldman.

2. **Review and discussion of the minutes from the previous board member meeting.**

   The board members present had not reviewed the latest set of minutes to make any commentary on them. Right now, April and May meeting minutes are up for approval. Wade motioned that the board would review these minutes offline and will respond via email when board members get a chance to read those documents. This motion was approved and the topic tabled for the time being.

3. **Updates from our water system operators.**

   Kelly Archer, the new RMWC water operator, took the floor to give the board members an update on the water system. This is the first/introductory meeting for Kelly to meet any remaining board members she did not see on-site at the plant. She provided an update on her first two months working with the team, noting that she and her colleague, Zav Hershfield, have been visiting the plant three days a week to learn operations and maintain the system. She reported that water quality is excellent with no immediate concerns, and that they have made progress on regulatory reporting, including catching up on 18 months of delinquent drought and conservation reports. Kelly mentioned that some consumer confidence reports still need to be completed which include the 2025 report that is due by July 1st, 2026. She also expressed appreciation for the smooth cooperation with meter reading data provided by Chris Berry.

Kelly reminded the board about a few pieces of equipment that need to be replaced, like a temperature sensor probe that has failed and needs replacing, for example. There was also a flow meter she listed that is needed for one of the five functioning slow-sand filters.

She gave the board members a PSA about conservation especially as the RMWC community heads into seasons with warmer weather. Wade had sent out a notice last week to the whole RMWC community about checking their meters, toilets, irrigation lines, etc. for any leaks.

Kelly talked about the projects that the RMWC board is trying to work on around the plant. The next step for the new RMWC water operators and the board members is to organize and sync up together so that all parties are aware of what needs to be done/has been done. Projects like system mapping, painting of the tanks, replacing the rusted hatch on tank #1, connecting with SJ Water Company for an emergency hookup, and other various tasks. She also mentioned several maintenance items for the water system, including the need to replace sight glasses on the slow sand filters and install sample taps for better bacteria testing practices.

4. **Update on the Curran and Poncetta tree debris situation.**

The board members were coordinating who will be sending a message to Poncetta and Curran to see if their meters are readily available for reading. Since last month, they have been covered by tree chippings/debris and have been inaccessible to the RMWC meter-reader, Chris Berry. Rod volunteered to walk the lines and send a message out to those members to see what the status is about their properties and their meter access.

5. **Update on remaining invoices/bills from Gary McKenzie.**

Stephanie Massei explained to the board members some inconsistencies and notes on finalizing all outstanding invoices with Gary. Stephanie mentioned him billing RMWC for things that the mutual has already paid for in the past, so she explained difficulties in keeping track of the things he is trying to bill for when it has already been paid out by the mutual. Good thing

Stephanie is good at this stuff like tracking down and organizing the invoice numbers for what RMWC has already paid for. She wanted to make sure she was doing her due diligence in tracking down invoices with Gary even though his communication is not great. So, when he doesn't respond to Stephanie's questions, she doesn't want to issue payment without any evidence that RMWC has utilized the good or service rendered. There was some discussion that Gary was previously known to shop around for a better answer from other board members to try and ultimately get what he wanted. Right now, the RMWC mutual is trying to wash its hands of Gary and his crew and be done with it all.
Stephanie reported holding two approved invoices from Gary totaling $8,000, with concerns about duplicate billing for items already paid. After reviewing the details with Wade and others, they determined the chlorine costs were reasonable based on Stephanie's recent $556 purchase but remained uncertain about a $2,100 filter charge due to lack of supporting documentation. Currently, the board has approved paying one of Gary's invoices to bring him closer to being current while holding the second invoice pending the delinquent reports resolution.

6. **Retaining wall project update.**

   Wade Bastien gave the present board members a small rundown, but there isn't much to report on currently. He talked to David Fox less than a week ago and said that David is still waiting for communication from the county. Wade also provided updates on the retaining wall tilt, noting that it had not worsened since the last measurement on May 11, 2026. Right now, this project is still in limbo and not moving forward.

7. **RMWC annual membership meeting power point presentation.**

   Rod Fagan started editing the annual membership meeting slide deck from 2025 and morphing it into the slide deck for the 2026 meeting. So far, there is great graphical representation of members who have participated on the board versus the rest of the community that has never volunteered. The board went over other slides that were started currently, slowly stitching this power point together slide by slide. The team reviewed other preparations for the upcoming annual meeting, with Rod working on some presentation slides and Kelly offering to contribute regulatory compliance content and additional photos of the water source. Westin Bolliger offered to help with updating the voting process slide in addition to creating content for the tank repainting and hatch repair projects. This is all information that the community needs to know or at least be aware of if they are going to continue being on the RMWC mutual.

8. **Review of the RMWC financial statements.**

   Stephanie reported progress on the bookkeeping transition, including plans to clean up the chart of accounts and implement a quarterly true-up process for electronic payments, for example. The group also aligned on restructuring the meeting agenda to discuss billing policy updates before rate increases, with Wade explaining the rationale for late fees and usage-based charges.
   The board discussed delinquent accounts, particularly focusing on a member who has been in arrears since November and is not considered in good standing due to non-payment. Wade noted that according to the bylaws, members that are not in good standing cannot vote or serve on the board.

9. **Cross-Connection Control Plan (CCCP) update.**

   Wade presented updates on cross-connection control planning, highlighting the importance of preventing backflow issues and encouraging community members to complete surveys and avoid connecting multiple water sources to their homes. A well system, for example, in addition to the RMWC water distribution lines would be a cause for cross-connection contamination/backflow concerns. He emphasized the need for proper installation and permits for any water system improvements. Currently, there is still a small handful of community members who have not completed the RMWC survey for the CCCP document that is needed to submit to state regulators.

10. **San Jose Water Company (SJWC) emergency connection.**

    Marty started off this conversation. This was the main reason the former RMWC president sat in on the board meeting. Things are still in limbo on this subject as well. Marty did recommend that Wade should have his signature on the emergency contract rather than the previous president, John Camp, who no longer lives in the neighborhood. The group discussed the need to establish this secondary water supply connection with San Jose Water in a timely fashion by January 2027. Marty offered his services to handle contract amendments and explore options for the physical connection. The conversation ended with plans to review documentation and potentially schedule site visits to assess the best approach for the water connection project.

11. Update on the Achkar issue.

Kelly Archer left the meeting as the board moved into more sensitive topics. Marty also began this conversation after he had been doing most of the groundwork for cutting ties with Achkar and seeing where RMWC stands in all of this. The board was making clear a motion in which they could begin the legal process for revoking the membership from Achkar. They approved a motion to adopt formal procedures following California Corporations Code Section 7341, which requires providing a 15-day notice via certified mail and email before suspending or terminating membership. The board agreed to send both email and certified mail notifications to ensure proper documentation and decided to give Achkar the full 15-day period before acting if no response is received.

I, Stephanie Massei, as member of the RMWC Board of Directors, requests that the Board, to ensure compliance with applicable law, and to clarify and better define the procedure necessary to address any RMWC member who fails to pay fees, dues, assessments, or any water bills for a period of 60 days as specified in RMWC's Bylaws, Section 2.6.4.

"Where charges and assessments remain unpaid for sixty (60) days, as hereinafter provided, the Board of Directors may declare the Membership interest appurtenant to the parcel to which such charges and assessments apply forfeited, in which case such Membership interest may not be transferred, and the parcel to which such interest is appurtenant may not receive water service from Raineri Mutual."

Said action is the equivalent of suspending or terminating membership in the Company and thus is subject to the requirements of Corporations Code Section 7341, applicable to the Company as a non-profit mutual benefit corporation. As specified in Section 7341 (c), a delinquent member shall be provided 15 days' prior notice of the expulsion, suspension or termination and the reasons therefor; and said member shall have the opportunity to be heard, orally or in writing, not less than five days before the effective date of the expulsion, suspension or termination by a person or body authorized to decide that the proposed expulsion, termination or suspension not take place.

The Board of Directors hereby adopts the procedure as specified in subdivision (c) of Corporations Code Section 7341, as follows:

(i) Prior to suspending or terminating a membership in the Company or expelling a member, the Company will provide the member in question with written notice at least fifteen (15) days prior to the effective date of the suspension, termination or expulsion regarding the proposed action to be taken by the Board of Directors and the reasons for that proposed action. Such notice may be provided by first-class overnight delivery by a nationally recognized delivery service or by e-mail with telephone or written confirmation.
(ii) The member in question will have five (5) days after date of the notice provided under subdivision (i) to request a hearing before the Board of Directors to present the member's position, including presenting any evidence to the Board of Directors.
(iii) If the member requests a hearing under subdivision (ii), that hearing with the Board of Directors will be scheduled to occur at least five (5) days before the effective date of the proposed suspension, termination or expulsion.
(iv) The Board of Directors will consider all evidence presented by the member in question in making its final decision concerning the proposed suspension, termination or expulsion.

For official note in the motion as shown above, Stephanie Massei stated that email and phone are not sufficient in reaching a customer, like Michael Achkar. It is more sufficient in the eyes of the board for email and a certified USPS letter. Stephanie motioned, Wade seconded the motion, and the quorum of board members approved.

12. Picking the date for the next RMWC board meeting.

Next board meeting before annual meeting. Monday, July 6th might be a good date tentatively at this time for the present board members. The board agreed to this so far and that is what they will be shooting for before the annual meeting.

13. Any other topics the board members need to address that were not listed on the agenda.

No topics were addressed.

14.The meeting was adjourned.