

MINUTES

FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, JANUARY 23, 2009 AT 10:00 A.M. DELTA ROOM, DEL VALLE CLUBHOUSE

President Fredlund called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, January 23, 2009 at 10:00 a.m. in the Delta Room, Del Valle Clubhouse, Walnut Creek, California.

PRESENT: Mel Fredlund, President, District 5
Gerald Priebat, First Vice President, District 2
Melvin Wall, Treasurer, District 1
Sue DiMaggio Adams, Secretary, District 3

Roll Call

EXCUSED: Randall Morgan, Second Vice President, District 4

Staff was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Financial Officer; Doug Hughs, Building Maintenance Manager; and Dyann Paradise, Administrative Secretary.

President Fredlund welcomed the 26 residents in attendance.

APPROVAL OF MINUTES

Mr. Wall moved and Ms. Adams seconded, and the motion carried unanimously to approve as written and reviewed the minutes from the December 5, 2008 regular board meeting.

Approval of Minutes

PRESIDENT'S REPORT – Mel Fredlund

President Fredlund reported that the upcoming Presidents' Forum will include a presentation by Jerry Priebat regarding the entry coordinator program. Other topics will include discussion of: the preliminary 2008 year-end financial report from MOD; the 2009 MOD billable rate; the possibility of an email work order procedure; the 2009 insurance renewal; the GRF redundant membership fee refund program; an amendment to the Mutual liaison charter.

President's Report

Mr. Fredlund reported that GRF Director John Turnier recently resigned from the Board and will not be replaced until petitions have been submitted and reviewed. That position is in District A, which represents First Mutual. It has been suggested that the First Mutual Board submit a letter to the GRF Board outlining the Mutual's concerns for proper representation until the elections in May.

Ms. Adams moved to suggest that the GRF Board of Directors appoint Teresa Brock or Melvin Wall to fill the vacant position on the GRF Board. There was no second and the motion died.

Motion to Appoint Specific Representative to District A; Not Seconded/Not Approved

Mr. Priebat moved that the First Mutual Board send a letter to the GRF Board suggesting that the GRF Board of Directors appoint a qualified candidate to fill the vacant position on the GRF Board as soon as possible due to the sense of urgency needed for proper representation of the First Mutual constituency. Mr. Fredlund seconded and the motion carried by majority. (Wall abstained)

Approval to Send
Letter to GRF
Board Urging
Their Appoint-
ment of an Interim
Director to
Represent FWCM

TREASURER'S REPORT – Melvin Wall, Treasurer

Mr. Wall reported that the preliminary 2008 year-end report showed that plumbing and utilities were over budget and adjustments were made in the 2009 budget. At year's end the Mutual was \$123,679 over budget. 1098 tax forms have been mailed to residents and should arrive within a few days.

Treasurer's
Report

Mr. Wall discussed an article he published recently in the *Rossmoor News* that explained the tax rebate for approximately 700 residents as determined by the County Assessor for re-evaluation. Not every member of the cooperative Mutuals will receive a rebate. Mr. Chakoff explained the estimate for the tax portion of the coupon.

BUDGET AND FINANCE COMMITTEE REPORT – Sheryl Almon

Ms. Almon reported she has worked with Mr. Hughs regarding the components that address industry life cycle for electrical subpanels and their failure rates, and water supply pipes to the interiors of the buildings. The other major components that are on a scheduled maintenance program, such as roofs, exterior siding, appliances, driveways, etc., will also be reviewed. Mr. Fredlund announced the committee members by name and thanked them for their time and efforts.

Budget and
Finance
Committee
Report

Next Budget and Finance Committee meeting is scheduled for March 25, 2009 at 11:00 a.m. in the Board Room at Gateway. Members are welcome to attend.

MUTUAL OPERATIONS REPORT – Doug Hughs and Paul Donner

MOD is currently checking all manors and installing smoke detectors in all bedrooms where needed.

Mutual
Operations
Report

Residents will be able to move back into their manors at 1959 Golden Rain Road building within the next week or so. It has been almost exactly two years since the fire. Construction included a major rebuild of the properties. Mr. Donner commented that the average rebuild for a major reconstruction project such as the one at 1959 Golden Rain is three years.

Fuller and Co. submitted a proposal for the yearly manor inspections. Mr. Hughs read the checklist of component items that are included in the inspection.

Approval of

Mr. Priebat moved to approve the proposal from Fuller and Co. for the 2009 manor inspections at a cost of \$44.75 per manor, which is the same price as in previous years. Ms. Adams seconded, and the motion carried without dissent.

Yearly Contract
for Manor
Inspections

The smoke detector inspection program will begin within the week.

Elaine Timko said that she believes many people do not understand the difference between a smoke detector and a carbon monoxide detector. She suggested an article could be published in the *Rossmoor News* explaining the functions of each detector.

Mr. Hughs presented a proposal for this year's roofing program. Following review,

Ms. Adams moved to approve three separate contracts as follows: \$174,953 to State Roofing; \$68,764 to Excel Roofing; \$550,398 to Frank Fiala Roofing, for a total amount of \$794,115, which is within the roofing budget for 2009. Mr. Priebat seconded, and the motion carried without dissent.

Approval of 2009
Roofing Contracts

(A copy of Mr. Hughs' management report is attached and itemizes the buildings scheduled for roofing.)

Mr. Donner reported approximately 415 contracts that have been signed to date for the Golden Rain Handyman Service.

LANDSCAPE REPORT – Rich Perona

On behalf of Mr. Perona, Mr. Donner reported on lawn, entry, and tree maintenance, as well as landscape rehabilitation. (A copy of Mr. Perona's report dated January 23, 2009 is attached.)

Landscape
Report

Mr. Donner noted that the Fire Department will be conducting fire abatement training in First Mutual in February. The fire marshal has commented that Rossmoor has done an excellent job with fire abatement brush removal and tree limbing. Sheryl Almon suggested that this public service should be published in the local newspapers to demonstrate positive publicity for Rossmoor.

Elaine Timko asked why large boulders are placed in various locations throughout the Mutual. Mr. Donner explained that there are two reasons that large boulders are used: (1) for a design feature, and (2) due to parking problems in locations where drivers damage irrigation sprinklers and landscape components

LANDSCAPE COMMITTEE REPORT – Randall Morgan

The next meeting will be Friday, February 6, 2009 at 11:00 am in Multipurpose Room #1 in Gateway complex. Landscape representatives will present their suggestions for 2009 projects. It was noted that the new crew supervisor seems

Landscape
Committee
Report

to be working out well.

NEW RESIDENT ORIENTATION – Melvin Wall

Mr. Wall reported that eleven new residents attended the January orientation. The next meeting will be held on March 10, 2009 at 10:00 a.m. in the Delta Room at Del Valle Clubhouse.

New Residents
Orientation

POLICY COMMITTEE – Melvin Wall and Mel Fredlund

No report

Policy Committee

UNFINISHED BUSINESS

None

Unfinished
Business

NEW BUSINESS

None

New Business

RESIDENTS' FORUM

Richard Cohn, Golden Rain – Entry 2, requested reimbursement for repair to the alteration portion of his roof due to a leak. The Board explained that the repair is Mr. Cohn's responsibility because the area in question is an alteration and not the responsibility of the Mutual until the entire building is reroofed per schedule. Ms. Adams will follow up on the details in this matter.

Residents' Forum

Mr. Cohn also reported some irrigation problems in his entry. He was directed to Mr. Perona.

Laura Sanchez, Golden Rain – Entry 14, asked about access to manors by emergency personnel. Mr. Donner explained that Securitas does not hold keys to manors and residents should give an emergency key to a trusted neighbor or store a key in a secured lockbox on the exterior of their manor.

Marcia Orear, Pine Knoll – Entry 4, reported an unsightly towing vehicle parked in front of her residence for several weeks. The vehicle leaks oil and spews smoke when started up. Mr. Donner explained that MOD is aware of the problem and is working on a solution; however, it appears the vehicle owner has not broken any parking laws.

Carol Austin, Rockledge - Entry 4, asked about the infrastructure components that the Budget and Finance Committee will be investigating for potential future repairs and/or replacements. Some of these may be such components as the copper water pipes and the wiring that run inside the walls and are not readily visible. Mr. Hughs explained that those components are not included in the Helsing Report at this point but could be incorporated in the study in the future if the Board deems it

is warranted.

ANNOUNCEMENTS

The next regular meeting of the Board of Directors will be held on Friday, February 27, 2009 at 1:00 p.m. in the Delta Room in Del Valle Clubhouse.

Announcements

A copy of the resale report is attached. There are currently 47 leased manors.

ADJOURNMENT

Having no further business, the meeting adjourned at 2:25 p.m.

Adjournment

Sue DiMaggio Adams, Recording Secretary
First Walnut Creek Mutual