

FIFTH WALNUT CREEK MUTUAL
MINUTES
REGULAR MEETING
THURSDAY, MAY 19, 2011, AT 2:00 P.M.
BOARD ROOM – GATEWAY COMPLEX

OPENING

President Rowe opened the meeting at 2:00 p.m. Directors Cruson, Dietschy, Friederichs (who arrived at 2:05 p.m.), Matthews, Sandelmann and Swinden were also present.

Attendance

There were 9 residents present.

Staff was represented by Mr. Donner, Director of Mutual Operations; Mr. Friesen, Building Maintenance Manager; and Ms. Paradise, Administrative Secretary.

APPROVAL OF THE MINUTES

Hearing no corrections, Mr. Rowe declared the April 21, 2011, regular meeting minutes approved as written and reviewed.

Approval of Minutes

INSPECTOR OF ELECTION REPORT – Barbara Phillips

Ms. Phillips reported that April 29, 2011, was the deadline for qualified candidates to submit their intent to run for election in this year's director election. Five candidates submitted their petitions but the petitions of two candidates were determined to be invalid. The three qualified candidates are, in order of submission, Margaret Sandelmann, Russ Cunningham, and Ellen Dietschy. These three candidates have been declared elected by acclamation and will take their seats at the June 17, 2011, Annual Membership Meeting. The fourth position that is available in this year's election will be filled by the new Board of Directors.

Inspector of Election

Mr. Matthews moved to accept the report of Inspector of Election Phillips. Mr. Cruson seconded and the motion carried without dissent.

Acceptance of Inspector's Report

MEMBERS' FORUM

Mr. Carter submitted a statement in opposition of the Inspector of Election's report. (A copy of Mr. Carter's statement is attached.)

Members' Forum

SECRETARY'S REPORT – Ms. Dietschy

No report.

Secretary's Report

TREASURER'S REPORT – Mr. Sandelmann

Mr. Sandelmann reported that as of April 30, 2011, in Project 46 revenues exceeded expenses in the amount of \$626 and in Project 47 revenues exceeded expenses in the amount of \$805. As of April 30, 2011, Project 46 total fund balances were \$132,262 and in Project 47 total fund balances were \$1,023,129. A copy the Treasurer's report is attached.

Treasurer's
Report

Mr. Sandelmann reported he verified the bank charges owed by Project 46 to Project 47. That transfer will be made from the Project 46 account to Project 47.

Mr. Sandelmann stated he questioned two office expense line items, one in Project 46 in the amount of \$407 and one in Project 47 in the amount of \$3,893. Mr. Donner will research these two items to determine if they were appropriate charges.

LANDSCAPE COMMITTEE – Mr. Rowe, Chair; Mr. Ormond, Landscape Supervisor

Mr. Rowe reported that the Committee was very pleased with the rehabilitation work performed recently by the MOD crew in the entrance to Entry 4, Entry 2 Avenida Sevilla, and area near 3288 Terra Granada. The total cost exceeded the estimate by approximately \$600 for the moss rock. However, many residents in the areas rehabilitated have reported they are very pleased with the results.

Landscape
Committee
Report

A copy of the Landscape Committee minutes from the May meeting is attached.

BUILDING COMMITTEE – Ms. Friederichs and Mr. Friesen

Ms. Friederichs questioned the framing around the windows in a unit in the 3288 TG building. Mr. Friesen explained that the framing was installed to cover the holes from storm shutters that were removed many years ago. The shutters were an approved alteration from a previous Board of Directors. Mr. Friesen will check the unit file to ascertain what type of alteration had been approved.

Building
Committee
Report

Mr. Friesen reported there is a raised walkway near 3330 TG #1A that has created a tripper. He will secure an estimate to replace two small sections of the walkway.

The edge of the garage slab at 3511 TG #1A is cracked from wall to wall. Mr. Friesen secured a bid to replace that section of concrete.

Ms. Dietschy moved to approve the bid from AMAC in the amount of \$1,750 to replace the cracked section of garage slab at 3511 TG #1A.
Ms. Friederichs seconded and the motion carried without dissent.

Approval to
Replace
Concrete Slab
at 3511 TG #1A

Mr. Friesen will secure estimates for replacement light fixtures, as the existing standard ones are in poor condition and are often in a bad location.

Stoddard Plumbing will continue its search of the fire line leak across from 3852 TG. Approved rain leak repairs by Perfect Painting at 3747 TG #1B are nearing completion.

The rear deck at 1261 AS #2B is in poor condition and dryrot is evident at the wall. Mr. Friesen has secured one bid for repairs and a coating, but will secure additional bids. This is not a safety issue at this time.

EMERGENCY PREPAREDNESS COMMITTEE – Ms. Dietschy

Ms. Dietschy reported a community-wide shelter drill will be held in the Tice Valley Gym on Thursday, June 2, from 9:00 to 1:00. Rossmoor residents, the Red Cross, the city of Walnut Creek, Grace Presbyterian Church, and the Jewish Community Center will participate.

Emergency Preparedness Committee Report

ALTERATIONS – Ms. Swinden (chair)

A request has been submitted for a permit for a major remodel at 1209 AS #1B. It is on hold pending details within the application to be resolved.

Alterations

The Board discussed the problem of new owners not being aware of the rules regarding alterations.

Ms. Swinden moved to require the buyer or the buyer's agent to attend a meeting with a staff member from the Resale Department and at least one Fifth Mutual board member (whenever possible) prior to close of escrow in order to review any alterations that may have been done to the unit. Ms. Friederichs seconded and the motion carried without dissent.

Require a "Meet with Buyer" Meeting Prior to Close of Escrow

Currently there are two alterations in progress and one recently completed.

AD HOC RESERVE STUDY – Mr. Matthews

The Reserve Study Committee reviewed the revised Project 46 reserve study. There were several recommended component changes to bring the components into industry standards, to add components, or to make corrections to existing components, especially to determine exact counts within each component. Sometime soon a new draft of the Project 46 reserve study will be given to the committee for review. The draft revision of the Project 47 reserve study will be reviewed at a future meeting of the committee. The study is now using a revised inflation rate of 3% and an interest rate on investments of 1.5% in order to reflect current market trends.

Ad Hoc Reserve Study

Mr. Friesen reported that the Helsing Group would charge \$150 per hour to prepare an impact report to include component(s) not included in the current reserve study, or

the Mutual could consider such a study an annual update at no charge.

OLD BUSINESS

Eleven members of Project 46 attended the special meeting for the Project regarding garage doors. Ms. Swinden reported that there was a consensus of those present wanting to install new rollup garage doors but not to install the door openers at Project expense.

Old Business

One bid has been received for the doors and openers. Two additional bids are needed. Mr. Friesen will obtain two additional bids within two weeks and will present the bids to the Building Committee for review.

Mr. Sandelmann moved to approve an amount not to exceed \$14,800 for installation of steel rollup garage doors for the garages in Project 46 and to reimburse at current cost the five households that have already installed the rollup doors, but not to include purchase or reimbursement for door openers in any households. Ms. Friederichs seconded and the motion carried by majority. (Dietschy and Matthews abstained.)

Approval for
Garage Doors
for Project 46

Mr. Friesen will present a component study for garage doors to be reviewed by the Board.

Mr. Rowe reported the Landscape Committee has an on-going task to inventory any personal property items owned by residents that are situated in the common area.

The issue of installing handrails to utility areas was dropped because Mr. Friesen explained that handrails normally accompany steps or stairways and should be done with building permits. In areas where there is a 30-inch or more drop, an engineer's report would be required. Mr. Friesen suggested that there could be safety concerns and the Mutual should not take on the liability. The Landscape Committee concurred.

Mr. Rowe thanked the Policy Review Committee for their review and rewriting of Policy 22 (Elections).

Mr. Cruson moved to send out the draft revision of Policy 22 (Elections) to the membership for comment at the July regular board meeting. Ms. Dietschy seconded and the motion carried without dissent.

Approval to
Send Draft
Policy 22 to
Membership for
Comment

The Board then agreed by acclamation to hold off sending Policy 22 to the membership until the draft revision of Policy 49 (Inspections) is ready for member comment.

Mr. Rowe explained that the documents required during resale should eliminate the reference to Third Walnut Creek Mutual and should substitute Fifth Walnut Creek Mutual. Ms. Dietschy further explained that the Committee is reviewing all the documents to ensure the wording is appropriate to fit the needs of Fifth Walnut Creek Mutual. The Committee will report its progress at the June regular board meeting.

NEW BUSINESS

It was suggested that a committee be formed to explore the feasibility of separating or combining Projects 46 and 47. The Board had no objection to Jerry Cruson, Russ Cunningham, Werner Sandelmann, and Maureen Swinden serving on that committee.

New Business

ANNOUNCEMENT

The next regular board meeting is scheduled for Thursday, June 16, 2011 at 2:00 p.m. in the Board Room (Gateway). The Annual Membership Meeting is scheduled for Friday, June 17, 2011, at 10:00 a.m. in the Fireside Room (Gateway), to be followed immediately by an Organizational Meeting to elect officers to the Board.

Announcement

ADJOURNMENT

The meeting adjourned at 3:45 p.m.

Adjournment

Ellen Dietschy, Secretary
Fifth Walnut Creek Mutual