

FIFTH WALNUT CREEK MUTUAL
MINUTES
REGULAR MEETING
THURSDAY, JULY 15, 2010 AT 2:00 P.M.
BOARD ROOM – GATEWAY COMPLEX

OPENING

President Rowe opened the meeting at 2:00 p.m. Directors Cruson, Dietschy, Friederichs, Matthews, and Sandelmann were also present. Director Swinden was excused. Attendance

There were also seven residents present.

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

COMMITTEE APPOINTMENTS

The following committee assignments were approved by the Board as follows: Committee
Appointments

Building Committee: Friederichs (chair), Matthews, and Bockius.

All other committees will remain with the same members.

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular board meeting of June 17, 2010. Hearing none, he declared the minutes approved as written and reviewed. Minutes
Approved

Mr. Rowe asked for any additions or corrections to the minutes of the organizational meeting of June 18, 2010. Hearing none, he declared the minutes approved as written and reviewed.

MEMBERS' FORUM

No comments. Members'
Forum

SECRETARY'S REPORT – Ms. Dietschy

No report. Secretary's
Report

TREASURER'S REPORT – Werner Sandelmann

Mr. Sandelmann reported on the financial condition of the Mutual as of June 30, 2010 as follows: Treasurer's
Report

Project 46 had a fund balance of \$16,537 in the operating account and \$83,267 in replacement reserves which represents an increase of \$16,791 over December, 2009 balances. Net operating revenues over expenses were \$1,462 favorable. Reserve expenses total \$7,812.

Project 47 had a fund balance of \$69,048 in the operating account and a replacement reserve of \$709,142 which represents an increase of \$151,263 over December, 2009 balances. Net operating revenues over expenses were \$21,401. Reserve expenses total \$93,081.

In the June 30, 2010 financial statement Mr. Sandelmann questioned the line item for "resales" that Mr. Donner explained should be recoded to "carpentry." Mr. Friesen will research the background on this expense and have it recoded if needed.

LANDSCAPE COMMITTEE – Mr. Rowe, Chair

Mr. Sandelmann stated that his review of landscape expenses reveals large differences between Project 46 and Project 47. Mr. Rowe explained that the difference is in the amount of units in each project and the total square footage within each project as well as the condition and components in each project. Mr. Donner will provide that information to the Board for the August board meeting.

Landscape
Committee

Mr. Sandelmann reported there are some plants that are too high and may be causing a visual hazard to drivers at Entry 2 on Avenida Sevilla. Mr. Rowe stated he would check the area and follow up on this issue.

Mr. Rowe submitted the minutes from the Landscape Committee meeting of July 13 and Mr. Ormond submitted a report regarding maintenance and rehabilitation. (Copies of the reports are attached.)

BUILDING COMMITTEE – Ms. Friederichs and Mr. Friesen

Ms. Friederichs reported she received a letter from a resident regarding heat pumps and city permit requirements. The Committee will publish a newsletter advising residents of the heat pump policy.

Building
Committee

Mr. Friesen reported the message boards will be installed next week.

A second estimate for repairs for 3288 TG #1A and 1221 AS #2C is pending. However, Perfect Painting submitted a bid for 1221 AS #2C for Board consideration. Mr. Friesen is awaiting a second bid for repairs for the deck at 3288 TG #1A. Following review of the bid,

Ms. Friederichs moved to approve the bid from Perfect Painting in the amount of \$735 to repair the leaking small deck at 1221 AS #2C. Mr. Matthews seconded and the motion carried without dissent.

Approval to
Repair Deck at
1221 AS #2C

Toupin Construction will begin construction on the rotten trellis at 3288 TG #4C.

MOD will remove a rotten trellis board to inspect for hidden damage at 1221 AS #1C.

Mr. Friesen reported that he will review the missed painted areas under the stairs. The stucco areas were painted but the concrete walls were not to be painted, only washed. He will provide the Board with his findings before the next board meeting.

EMERGENCY PREPAREDNESS COMMITTEE – Ms. Dietschy (chair)

Ms. Dietschy reported the first test meeting for the Map Your Neighborhood (MYN) program was held on July 14 with 10 units represented. It was a good meeting with favorable responses. Additional MYN meetings will occur in the near future.

Emergency Preparedness Committee

ALTERATIONS – Ms. Swinden (chair)

Ms. Swinden was absent; no report.

Alterations

AD HOC RESERVE STUDY – Mr. Matthews (chair)

Mr. Matthews reported that Mr. Friesen is supplying updated information to Roy Helsing (The Helsing Group) so that he may update the reserve study report.

Ad Hoc Reserve Study

In order to obtain a more accurate report,

Mr. Cruson moved to remove three deck components from the Helsing Study and substitute a deck fund with the amounts of \$10,400 per year over five years in Project 46 and \$100,000 per year over five years in Project 47. Mr. Matthews seconded and the motion carried without dissent.

Approval to Create a Deck Fund in the Reserve Report

OLD BUSINESS

Mr. Sandelmann presented a discussion paper for Board review regarding a proposal for parity between Project 46 and Project 47. He stated that the Budget and Finance Committee recommends a special meeting to discuss in detail the establishment of parity between the Projects.

Old Business

Mr. Cruson also presented a discussion paper regarding the notion of parity.

Mr. Matthews moved to proceed with a proposal to establish parity. There was no second and the motion died.

No Approval to Establish Parity

Mr. Sandelmann moved to hold an open meeting to discuss the notion of parity between the Projects. Ms. Friederichs seconded and the motion carried without dissent.

Approval to Hold a Special Meeting to Discuss Parity

As soon as possible a date, time and location will be scheduled for a special meeting to discuss the notion of parity.

Mr. Carter submitted his comments regarding the proposed policies and previously revised and approved Policy 64 (Front Doors) and Policy 70 (Smoke Alarms). The Board took his suggestions under advisement. It was noted that over the past several months there had been several open discussions regarding the proposed policies. In consideration of the comments received,

Mr. Sandelmann moved to approve the proposed revisions to the Alteration Committee Charter, Policy 51, Policy 55, and Policy 64 as presented with the appropriate wordsmithing corrections included. Ms. Friederichs seconded and the motion carried without dissent.

Approval of
Policy
Revisions

A copy of the revised policies will be mailed to members within the next two weeks.

Mr. Rowe commented that the goal of the Board for next year should be a total review of all the policies.

Mr. Donner reported that the insurance component for the CC&Rs is in draft form awaiting review.

Mr. Friesen reported the new standardized entry signs will be installed by year's end.

The Board thanked Mr. Heinicke for fabricating the message boards.

By acclamation, the Board approved reimbursing Richard Heinicke \$458.76 for his expenses involved in fabricating and installing ten message boards.

Approval to
Reimburse
Expenses for
Message
Boards

NEW BUSINESS

New Business

Received a letter from the resident at 3288 #4B that stated there is a raingutter missing at the master bedroom east-facing window that causes mineral build-up on the window and the potential of water seepage into the window frame. Mr. Friesen explained that this design is consistent with the architecture of the building. He recommends installing a small flashing detail but not raingutters, which would be an alteration at the resident's expense. Mr. Friesen will contact the owner with the options as outlined.

ANNOUNCEMENT

Announcement

The next regular board meeting is scheduled for Thursday, August 19, 2010 at 2:00 p.m. in the Board Room (Gateway).

ADJOURNMENT

The meeting adjourned at 3:15 p.m.

Adjournment

Ellen Dietschy, Secretary
Fifth Walnut Creek Mutual