

FIFTH WALNUT CREEK MUTUAL  
**MINUTES**  
REGULAR MEETING  
THURSDAY, AUGUST 19, 2010 AT 2:00 P.M.  
BOARD ROOM – GATEWAY COMPLEX

OPENING

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

There were also six residents present.

Staff was represented by Mr. Friesen, Building Maintenance Manager; Tess Haskett, Assistant Controller; and Ms. Paradise, Administrative Secretary.

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular board meeting of July 15, 2010. Hearing none, he declared the minutes approved as written and reviewed. Minutes  
Approved

Mr. Rowe asked the Board to review for any additions or corrections the minutes of the special meeting of August 12, 2010. They will be voted on for approval at the September board meeting.

MEMBERS' FORUM

Dick Heinicke asked if the Board has defined "parity".

Members'  
Forum

Tony Fasanella asked why it is necessary to merge the Projects. Ms. Friederichs commented that parity was not an issue when Project 46 and Project 47 broke away from Third Mutual.

Duncan Carter stated that parity involves buildings and building conditions, not just financial concerns. (A copy of Mr. Carter's written statement is attached.)

Werner Sandelmann stated a funding amount was discussed at the parity meeting but only the *notion* of parity was to be discussed. Mr. Rowe pointed out that there was discussion of various suggested options. Mr. Cruson reminded the Board that minutes are meant to reflect what is said at a meeting. The Board did not vote on any specific amount.

Maureen Swinden commented that Project 46 would benefit more from a merger of the Projects than would Project 47 due to the economy of scale.

SECRETARY'S REPORT – Ms. Dietschy

No report.

Secretary's  
Report

TREASURER'S REPORT – Werner Sandelmann

Mr. Sandelmann submitted his monthly financial report. (see attached)

Treasurer's  
Report

LANDSCAPE COMMITTEE – Mr. Rowe (chair)

The committee welcomed Christine Imrie-Barclay to the committee who will represent Entry 5.

Landscape  
Committee

Mr. Rowe reported an error was made in the courtyard at 1221 Avenida Sevilla in Project 46 that will be corrected. The ivy around the redwood tree was mistakenly killed and removed. Valley Crest will replace the ivy at no cost to the Mutual.

Ms. Friederichs requested a written bid from Valley Crest regarding a private garden that a resident wishes to turn back over to the Mutual.

Mr. Rowe reported on landscaping events of the past month. (A copy of the minutes from the August 10, 2010 landscape committee meeting is attached.)

BUILDING COMMITTEE – Ms. Friederichs (chair) and Mr. Friesen

Ms. Friederichs requested that a timeline be established for deck reconstruction so that the residents are aware of the schedule. The resident can also consider upgrades, at their own option, during the construction process. Overall, the Committee is very pleased with MOD performing the destructive testing, which is followed by the bidding process with outside contractors.

Building  
Committee

The deck list has been updated and a copy given to Mr. Sandelmann.

The deck coating at 3401 TG #1B, the trellis at 3288 TG #4C, the deck at 3222 TG #1B have been completed. Mr. Friesen asked for approval for a change order for 3222 TG #1B. Following review,

Ms. Friederichs moved to approve a change order from Toupin Construction in the amount of \$1,700 for additional repairs to 3222 TG #1B that were not included in the original proposal. Ms. Dietschy seconded and the motion carried without dissent.

Approval of  
Change Order  
for 3222 TG  
#1B

There was a change order submitted for the deck at 3316 TG #1B. Following review,

Ms. Friederichs moved to approve the change order from Toupin

Construction in the amount of \$7,427.50 for additional repairs at 3316 TG #1B. Mr. Matthews seconded and the motion carried without dissent.

Approval of  
Change Order  
for 3316 TG  
#1B

Mr. Friesen reported there was a leak at the kitchen window at 3874 TG #4A which was diagnosed as a drain leak. The drain was repaired and the estimate to repair the stucco surrounding the repair area was \$1,475 which the Board approved by acclamation as an operating expense.

Six locations have been identified as showing evidence of leaks and dry rot under tile deck surfaces. Mr. Friesen will present a written report to the Board on this issue by the September board meeting.

As follow up, Mr. Friesen reported the Alterations Department is aware of the heat pump replacement standards.

Two bids have been received for deck coatings at two locations. Following review,

Mr. Matthews moved to approve the bid from Perfect Painting in the amount of \$2,940 for the deck coating at 3288 TG #1A. Ms. Swinden seconded and the motion carried without dissent.

Approval for  
Deck Coating at  
3288 TG #1A

Ms. Friederichs moved to approve the bid from Perfect Painting in the amount of \$2,305 for the deck coating at 3330 TG #4B. Ms. Swinden seconded and the motion carried without dissent.

Approval for  
Deck Coating at  
3330 TG #4B

As a result of dry rot repairs at 3316 TG #1A, a change order was submitted for deck coating. Following review,

Ms. Friederichs moved to approve the change order from Perfect Painting in the amount of \$1,860 for the deck coating at 3316 TG #1A. Mr. Matthews seconded and the motion carried without dissent.

Approval for  
Change Order  
at 3316 TG #1A

There were approximately 6 concrete areas that were painted at some time. Approximately 25 concrete areas are still not painted. Following discussion,

Ms. Friederichs moved to approve the bid from MOD in the amount of \$2,000 to repaint approximately 25 areas where the concrete was not painted. Mr. Cruson seconded and the motion carried by majority. (Mr. Matthews abstained.)

Approval to  
Paint Concrete  
Areas

Mr. Friesen reported on various repairs due to recent resales.

EMERGENCY PREPAREDNESS COMMITTEE – Ms. Dietschy (chair)

Ms. Dietschy reported the Map Your Neighborhood (MYN) program has been helpful in presenting residents with procedures to assist themselves should a disaster occur. So far Entry 3 and Entry 7 have participated in the MYN presentation, which has been well-attended and well-received. Mr. Matthews commented that he and his wife attended the program and it was excellent.

Emergency  
Preparedness  
Committee

#### ALTERATIONS – Ms. Swinden (chair)

Ms. Swinden reported 1 permit was issued, 2 have been processed and 5 alterations have been completed.

Alterations

It was noted that a hose bibb alteration requires a plumber. MOD can install the flashing if the plumber does not do it.

#### AD HOC RESERVE STUDY

Mr. Matthews reported that Mr. Friesen is supplying updated information to the Helsing Group in order that the reserve study report can be updated. The Ad Hoc Committee will meet again to review the updates.

Ad Hoc  
Reserve Study

There was discussion regarding three deck components from the Helsing Study.

Mr. Cruson moved to remove three deck components from the Helsing Study and substitute a deck fund over a five-year period with the amount 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  
Remove 3 Deck  
Components  
from Reserve  
Study

#### OLD BUSINESS

The Board again discussed the issue of parity. Ms. Haskett presented a statement outlining the MOD's recommendation to equalize the amount of operating and reserves per door between Project 46 and Project 47: "Once a merger of Project 46 and 47 has been approved, a lump sum amount will be distributed to the current residents of Project 46 from the project's operating and reserve funds. The lump sum amount will equal the amounts needed to equalize the project's operating and reserve accounts on a per capita basis. The amounts will be based on the audited fund balance as of December 31, 2010."

Old Business

The Board also considered other options.

Mr. Rowe asked the Board to consider how to delineate in the new CC&RS the vote requirement to merge the two projects in Fifth Mutual and use the budget process starting in December, 2010 to work towards a financial plan to establish "parity" by the end of 2011.

The Board is still awaiting the insurance component for the legal documents but the wording should be available soon. The CC&Rs committee to meet again soon.

*[Ms. Friederichs and Mr. Friesen left the meeting at this point at 4:05 p.m.]*

NEW BUSINESS

None

ADJOURNMENT

The meeting adjourned at 4:10 p.m.

New Business

Adjournment

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Ellen Dietschy, Vice President/Secretary  
Fifth Walnut Creek Mutual