

BOARD OF DIRECTORS REGULAR MEETING

Friday, September 22, 2023 at 10:00 a.m.

**Event Center – Donner Room
1021 Stanley Dollar Drive, Walnut Creek, CA 94595**

MINUTES

Call to Order

President England called the meeting to order at 10:01 a.m.

Roll Call of Directors

Mary A. England – President – District 5
Pat Donahue – 1st Vice President – District 4 – *Absent*
Barry Hirsch – 2nd Vice President – District 3
Jen Moreau – Secretary – District 2 – *Absent*
Jean Autrey – Treasurer – District 1

MOD Staff

Jeroen Wright – Director of Mutual Operations
Dave Peakes – Building Maintenance Manager
John Tawaststjerna – Landscape Manager
Victoria Thomas – Board Services Coordinator

Residents' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included: unsanitary bathrooms exterior of bathrooms in bad shape, laundry rooms are being used by non-residents, neighbors putting their personal belongings on entire deck, deck maintenance, budget, landscaping, insurance increase effecting coupon, request clean drains, and no power.

Consent Calendar

- a. Board of Directors Executive Session Meeting Minutes – July 14, 2023
- b. Board of Directors Executive Session Meeting Minutes – August 11, 2023
- c. Board of Directors Regular Meeting Minutes – August 25, 2023
- d. Board of Directors Executive Session Meeting Minutes – August 25, 2023
- e. Board of Directors Special Meeting Minutes – August 29, 2023
- f. Board of Directors Special Meeting Minutes – September 7, 2023
- g. Board of Directors Executive Session Meeting Minutes – September 8, 2023
- h. Board of Directors Executive Session Meeting Minutes – September 14, 2023
- i. Board of Directors Executive Session Meeting Minutes – September 15, 2023
- j. Board of Directors Special Meeting Minutes – September 19, 2023
- k. Board of Directors Emergency Executive Session Meeting Minutes – September 20, 2023

Motion made by Autrey, seconded by Hirsch, to approve the Board of Directors Meeting Minutes as posted. Approved by unanimous vote. (3-0)

Treasurer – Jean Autrey/Tom Hand/Ann Prichard

a. Treasurer’s Report – Jean Autrey/Tom Hand

Cash in Bank - Operating	6,250,742
Includes an unknown amount for the property fund	
Cash in Bank & Sweep Accts - Reserve	9,690,303
Net Income to Date	703,089

Ending Fund Balances

Operating	2,598,459
Property	6,911,919
Reserve	9,321,936
Accounts Receivable -Assessments	139,475
Accounts Receivable - 3rd Party Billing & Other*	2,004,340
Total Receivables:	2,143,815

* Includes an unknown amount due from insurance re 2925 fire rebuild

Under/(Over) Budget (excluding revenue)

Current Month	(54,250)
Year to Date	(66,472)

Categories - Operating YTD

Building Maintenance & Public Works	90,374
Landscape Maintenance	(10,379)
Elevator Maintenance	0
Custodial Services	(1,334)
Insurance	(152,291)
Utilities	(10,666)
Professional Svc	32,709
Other General & Admin	(14,886)
	(66,473)

A/R collections are ongoing.

The cost to FWCM for the Mutual 2 fire on June 9, 2023 was \$71,396 paid July 23, 2023

Reminder: Insurance may go up at least 50% or more for year 2024

*Motion made by England, seconded by Hirsh, to certify compliance with Civil Code §5500.
Approved by unanimous vote. (3-0)*

Mutual Operations – *Jeroen Wright/Dave Peakes*

Wright reported that Staff is currently preparing the budget.

Firewise Program is ongoing. The Committee has been formed and will have their first meeting in late October.

It is expected that there will be a drastic increase in insurance, which will affect the members' coupons. The Insurance Task Force is currently receiving quotes for \$1B of property coverage. With the property coverage reduction, governing documents will need to be amended.

Peakes reported on:

Carpentry/Paint Rehab Work

Currently, one of our carpentry crews are finishing up at 2133 Tice Creek, they will then be heading to 2000, 2008 and 2100 Pine Knoll Dr. Painters are initiating work at 1410 Rockledge and will then move to 1108 Oakmont and 2109 Tice Creek. Our other carpentry crew has finished work at 2073 Golden Rain and is moving on to 2061 Pine Knoll Drive.

Asphalt

Silicon Valley Paving has removed and replaced the asphalt at entry's 10 and 11 Oakmont. Approx 50' of concrete sidewalk had to be replaced in preparation for the replacement due to extreme lifting from tree roots.

Electrical Panels

To date, Gauthier Construction has replaced 53 electrical panels. There are approximately 30 panels left to be replaced from the list originally put together by Pure Electric. At years end they should be near completion and another list of 100 can be put together from the data gathered from the annual home inspections.

Roofs

The 2023 roof program is coming to a close as Fiala roofing is finishing up on 1457 Oakmont (and other touch ups on various roofs) and is having the roofs inspected by the manufacturers for warranty compliance.

Carport Inspections

Hogue Roofing Consultants has begun carport inspections. He will follow up with a report on each carport with pictures of violations as outlined by the Board.

Committee Reports

a. Budget and Finance Committee Report – Ann Prichard

The Committee met on September 7, 2023 with the Board of Directors to prepare the 2024 Preliminary Budget.

The Committee met on September 19, 2023 with the Board of Directors and GRF/MOD staff (Jeroen Wright, Bud Baxter, Dave Peakes and John Tawaststjerna) to discuss and adjust a proposed 2024 Preliminary Budget. Each line item was discussed to meet day-to-day infrastructure and capital project needs, both ongoing and future, that will face the Mutual during 2024.

The Budget & Finance Committee is preparing a recommendation to the Board of Directors for adoption of a 2024 Operating and Reserves Budget based on the outcome of the September 19th meeting.

The Board may change the Reserve Study vendor.

b. Landscape

Tawaststjerna reported that landscaping is currently fertilizing shrubs, ground covers, and trees. They plan to fertilize the lawns next month.

Several trees are scheduled to be removed in Entries: 10, 12, and 24. Permits have been received to remove trees in Entries 3 and 9. Denial was received to remove two stone pine trees. Tawaststjerna plans to appeal.

Brightview completed irrigation work in Pine Knoll Entry 5 to remove valve boxes from a resident's patio area. They completed the Fairlawn Entry 5 lawn conversion and sitting area refresh work.

England reported on Don MacGregor and the Landscape Committee's behalf:

Resident Forum at our monthly meeting consumed much of our meeting time. 4 out of 5 District Reps, Chair, and Board Liaison along with Brightview Manager Luis Manriquez responded to resident concerns. Landscape Manager, John Tawaststjerna, was absent due to budget preparation duties.

1. Resident Forum issues from 7 members attending our meeting:

- E6 Golden Rain Road- persistent gopher issues create a persistent tripping hazard with soil piled onto stairway steps
- E1 Oakmont pruning debris left on shrubs and not properly cleaned up. Claims sub par work done on shrubs in 'corners' of the Entry
- E14 Golden Rain Rd. Carmel Bldg. entry bridge underside clean-up. AND Desired resolution for community gathering spot at Memorial Garden
- E5 Pine Knoll concern that a flowering dogwood tree was 'topped' when pruning was done to nearby shrubs, not respecting the specimen ID of the landscape
- E26 Golden Rain follow up concern for plantings in a trailway entrance used last winter as a service area for tree removals

Q & A: The committee regularly hears issues of proper pruning instruction/direction and supervisory inspection of work done as well as dealing with pop-up issues such as cleaning up after gophers.

Question for Brightview: What is the follow-up procedure for pruning clean-up and taking care of irregularities like gopher infestation causing tripping hazards? Is our Brightview service by workorder request only or does Brightview proactively do walk-through inspections on a regular basis and following pruning work?

2. Committee discussed ongoing Best Practices issues in preparation of a Summary Proposal for board approval. The focus of best practices on use of blowers; flowerpots in the landscape; nurturing maintenance care and warranty of new plants in rehabs, increased use of ground cover plants and pruning maintenance schedule and establishing selective seasonal pruning practice vs. everything, all at once pruning.

3. Printed copies of the Brightview contract were handed out to District Reps. Specifications for maintenance issues and calendar of duties were identified to establish common understanding.

c. Governance Committee

Wright reported that the Committee met on September 18, 2023 to discuss: creating a contact list, new member orientation process, alteration policy potential amendments, and the Mutual's relationship with MOD.

The next meeting will be October 16, 2023 at 2:00pm. Location will be posted in Rossmoor's newspaper.

d. Capital Projects Committee

Chung reported that the Committee has been inspecting the storm damage and flood control issues. The Committee has received proposals for the work and presented them to the Board. The Committee presented a project priorities list to the Board.

Committee meetings are conducted the second Tuesday of each month at 10:00am. Meetings are currently conducted virtually.

e. Social Engagement Committee

Autrey reported that the purpose of the Committee is to develop a long-term plan to encourage members to actively and constructively participate in the day-to-day issues of their entry neighborhood matters.

The Committee is considering:

1. Creating a neighborhood information center. An article was placed in the Rossmoor newspaper on this subject to obtain more viewpoints.
2. The Committee will hold a meeting in late October to allow members to meet the District 1 Director. The purpose of the meeting was to determine if District Townhalls would be effective. More information on the meeting will be in the Rossmoor newspaper.
3. There are three members on the Committee and a Board Liaison. Members are welcome to join.

President's Report

England reported she attended the Presidents' Forum wherein the Insurance Task Force evaluated options for insurance coverage. The Mutuals share the insurance policy with GRF. It is expected that there will be a 50% increase in the insurance premium. The Insurance Task Force is researching options for insurance coverage limits. The insurance broker, Gallagher, is shopping for increase coverage in the gaps for the tiered insurance. Freddie Mac and Fannie Mae stated that if not fully funded for insurance assets they may not approve mortgages or refinances.

GRF is meeting legislators to discuss options to protect the Mutuals' assets.

The Board and legal counsel plan to review the governing documents and Bylaws Section 15 regarding insurance.

New Resident Orientation

Priebat reported that several new members attended the meeting. There will not be a meeting in October.

Unfinished Business

Action Items

Reserve Study Proposal Approval

Motion made by Autrey, seconded by England, to change the replacement reserve provider from Helsing to Facilities Associates, Inc. effective January 1, 2024. Approved by unanimous vote. (3-0).

Discussion

Autrey said the cost for the first year is \$16,500. The first year is more expensive than future years due to the site survey they will need to conduct.

Second motion made by Autrey, seconded by Hirsch, to designate Mary A. England as the Officer to sign the contract with Facilities Associates, Inc. Approved by unanimous vote. (3-0)

Informational Items

- a. Insurance Task Force – Discussed in the President’s Report
- b. Deck Firebreaks Estimate – Peaks will email Board estimate
- c. Attic Firebreaks Estimate – Peaks will email Board estimate

New Business

Action Items

- a. Clearesult Participation Agreement – Topic deferred

- b. Electrical Infrastructure Request for Proposal
Peakes will manage the project.

Motion made by Hirsch, seconded by England, to approve the Electrical Infrastructure Request for Proposal. Approved by unanimous vote. (3-0)

Discussion

Autrey suggested the language in the RFP be revised for better clarification. The Board proposed “The objective for this project is to recommend electrical requirements to upgrade the electrical infrastructure of the First Walnut Creek Mutual to accommodate both increased electrical usage in each of the buildings and common areas including to provide for the charging of electrical vehicles.”

Motion made by England, seconded by Hirsch, to adopt the language change and approve the Electrical Infrastructure Request for Proposal as drafted and revised. Approved by unanimous vote. (3-0)

- c. Proposed Architectural Control Committee Charter – Topic deferred

- d. Appoint Melanie Rose to the Governance Committee

Motion made by England, seconded by Hirsch, to approve Melanie Rose from District 4 to the Governance Committee as recommended by Pat Donahue. Approved by unanimous vote. (3-0)

- e. Hiring Consideration of Nice Cans to Clean Compost Bins

Motion made by Autrey, seconded by Hirsch, to hire Nice Cans at a cost of \$1,242 per year to clean the compost bins annually. Approved by unanimous vote. (3-0)

Discussion

Autrey reported that the cost to clean the green bins is between \$12-\$18 per can. For members that do not want to pay the fee, Autrey suggested for members can clean their cans themselves. The cost for the project is not in the budget and is not a required duty done by the Mutual.

Call for a vote – Motion failed. (1-2)

- f. Conduct Board Meetings both In-Person and Virtually – Topic deferred
- g. Proposed 2024 Board of Directors Regular Meeting Schedule and Executive Session Meeting Schedule
Motion made by England, seconded by Hirsch, to approve the proposed 2024 Board of Directors Regular Meeting Schedule and Executive Session Meeting Schedule to include Special Meetings as necessary. Approved by unanimous vote. (3-0)

Informational Items

- a. Marin CE Program – Topic deferred
- b. CC&R's Revision Regarding Insurance coverage – Topic deferred
- c. Townhall Meeting – Topic deferred

Announcement

The next scheduled meeting is the Annual Membership and Organizational Meetings is October 10, 2023 at 10:00 a.m. in the Fireside Room at the Gateway Clubhouse.

Adjournment to Executive Session

There being no further business, the Board of Directors Regular Meeting was adjourned at 11:29 a.m. The Board moved into Executive Session.

Executive Session Summary

The Board met in Executive Session from 11:51 a.m. to 12:30 p.m. to discuss member matters, delinquent accounts, liens and foreclosures, contract formation, and alteration issues.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes.

Victoria Thomas