

BOARD OF DIRECTORS REGULAR MEETING

Friday, May 24, 2024 at 10:00 a.m.

Meeting was Conducted In-Person and Virtually

Event Center - Donner Room

1021 Stanley Dollar Drive, Walnut Creek, CA 94595

MINUTES

1. Call to Order

President England called the meeting to order at 10:00 a.m.

2. Directors Present

Mary A. England – President – District 5
Peter Catalano – 1st Vice President – District 4
Young Chung – 2nd Vice President – District 3
Jean Autrey – Treasurer – District 2
Jen Moreau – Secretary – District 1

Mutual Operations Staff

Jeroen Wright – Director of Mutual Operations
Todd Arterburn – Chief Financial Officer
Dave Peakes – Building Maintenance Manager
Jesus Morales – Landscape Supervisor
Victoria Thomas – Board Services Coordinator

3. Members' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included:

- Contractor policy violation. Questioned protocol and why contractors are allowed work in the Mutual when they continue to make violations.
- Work trucks are coming in at 3:00am causing a noise nuisance.
- Gasoline is stored in the work yard. Wright explained that Brightview has a contract to store items in the work yard.
- Rodents in the trash and carports. Tawaststjerna will work with Landscape Committee to create a plan to remove ivy.
- Thanks were given to Peakes for his quality of work.
- Annual inspection report with items not taken care of: HVAC filter, smoke detector in hallways, carbon dioxide with a life span of 10 years, plumbing not inspected, appliances are not checked. Asked for a refund when complete inspections are not conducted.
- Board expansion needs to match the Bylaws. Term limits are three years. Resident opined the term is too long. Stating Directors resign before term limit expires allowing Board to appoint Directors.
- Mutual is not fully transparent with minutes missing on the Mutual's webpage.
- Agenda - No information on policy changes, elections not on the agenda.

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- No election in 2023.
- Landscape contract – expressed concern with conflict of interest with Brightview.
- Sound is not audible for virtual attendees.
- Directors need to educate themselves on managing an HOA.
- Workers use Entry 10 laundry room restroom.

4. Consent Calendar

- a. Board of Directors Regular Meeting Minutes – April 26, 2024

Motion made by Autrey, seconded by England, to approve the minutes. Approved by unanimous vote. (5-0)

5. Treasurer – Jean Autrey/Ann Prichard

- a. Treasurer’s Report – Jean Autrey

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**TREASURER REPORT - MAY
YEAR 2024**

	At 4.30
Cash in Bank & Sweep Accts - Operating	2,746,998
Includes an unknown amount for the property fund	
Cash in Bank & Sweep Accts - Reserve	10,218,081
Note: Sweep level is \$50,000	
Excess (Deficiency) or Revenue over Expense	1,056,287
Ending Fund Balances	
Operating	6,039,834
Property	6,230,967
Reserve	10,186,242
Accounts Receivable -Assessments	196,546
Accounts Receivable - 3rd Party Billing & Other*	<u>1,964,648</u>
Total Receivables:	2,161,194
*Per Aging: \$117,073 (Balance Unidentified)	
Under/(Over) Budget (excluding revenue)	
Current Month	13,800
Year to Date	366,467
Year to Date Operating Exp: Under/(Over) Budget	
Management Fee	(16,859)
Building Maint & Public Works	(12,975)
Landscape Maintenance	32,740
Custodial Services	(1,322)
Insurance	27,608
Utilities	294,900
Professional Svc	36,165
Other General & Admin	11,406
Income Taxes (on 2023 interest income)	(52,493)
Total	319,170

Motion made by Autrey, seconded by England, to certify compliance with Civil Code §5500 for the April financials. Approved by majority vote. (3-2 Catalano vote no, Moreau abstained)

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Arterburn reported the 2022 audit is complete. The auditor, Gary Porter, is currently working on 2023 audit. He will ensure the financials match Davis Stirling.

Catalano attempted to make a motion to place the General Ledger on the Mutual's webpage for members to view. Motion denied as topic was not on the agenda.

6. **Mutual Operations** – *Jeroen Wright/Dave Peakes*

Wright reported

Firewise Program is holding a Townhall meeting at the Event Center in the Tahoe Room on June 10, 2024 from 10:00am-12:00pm. Contra Costa County Fire and Walnut Creek Police Department will be in attendance to give a presentation on emergency evacuation in Rossmoor. For the program to continue its recognition for 2025 1,300 volunteer hours need to be met. Each person that attends the Townhall will count as 2 hours towards the required volunteer hours.

Peakes reported

Carpentry/Paint Rehan Work

One of our carpentry crews has finished work on buildings 3457 Golden Rain Rd. and 1517 Oakmont Dr. and are moving on to 1800 and 1816 Golden Rain Rd. The other crew is finishing up on 1708 Golden Rain Rd. and is moving on to 2025 Oakmont Way. Painters are finishing up on 1916 and 1940 Golden Rain Rd. and will then be moving on 3457 Golden Rain, 1517 Oakmont Dr. and 1708 Golden Rain

PG&E

Signage was put in place notifying residents on entry 10 Oakmont that there would be "No Parking between the hours of 7:00 AM – 5:00 PM on the following dates 5/20 - 6/3". Peakes responded to a call from a resident to find all sorts of markings on the asphalt. Peakes emailed PG&E and then reached out to subcontracted vendors VPI. VPI was able to let me know that they were initiating another phase of PG&E's line upgrades. Peakes is communicating with PG&E (who's response to me at this point is that they've "reviewed the work schedule and don't see anything listed for Rossmoor". MOD and GRF management have held meetings with PG&E management working to better communications with them, making issues like this very frustrating. This parking lot was just repaved last year. Peakes asked for any documents that may outline the overall long-term plans for their project in hopes to avoid spending money on any significant asphalt, concrete or Landscape rehab. projects only to have them torn up.

Tree Fall

The interior work has been completed and signed off by the city of Walnut Creek. I asked the resident to provide me with a punch list outlining any issues. The insulation, sheetrock, texture, painting and carpet installation is in place and she has her unit back. Peakes is working on bids for the replacement of the total roof opposed to just the damaged area (an approximate 1/4 of the roof), as the roof was scheduled for replacement in 3 years. We will be able to determine at that time if there are any more damages and will be able to close out this job and seek reimbursement from the other Mutuals at that time. Total costs up to this point are under \$38,000.

7. **Landscape Manager's Report** – *John Tawaststjerna*

Landscape Maintenance

- All irrigation controllers have been activated
- Aeration of turf completed
- Grub control as needed in lawns
- Edging of ivy

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Tree Maintenance

- Golden Rain
 - o Pruning complete
- Pine Knoll
 - o Pruning complete

Proposals for Approval

- Mulching Estimate (Operating)
 - o 450 yards total
 - o Golden Rain Entries 1-25
 - o Brightview
 - \$56,250.27

Motion made by Autrey, seconded by England, to approve Brightview contract in the amount of \$56,250.27 paid from the Operating Fund. Approved by unanimous vote. (5-0)

- Ivy Removal on all concrete posts
 - o \$9,754.88
 - o Operating

Motion made by England, seconded by Chung, to approve Brightview quote in the amount of \$9,754.88 paid from the Operating Fund. Approved by unanimous vote. (5-0)

- Tice Creek Entry B Lawn Removal
 - o \$20,331.42
 - o Reserves
 - o EBMUD rebate of \$1,177.50

Motion made by England, seconded by Autrey, to approve Brightview quote in the amount of \$20,331.42 paid from the Reserves Fund. Approved by unanimous vote. (5-0)

Catalano attempted to make a motion to place Landscape Report on the Mutual's webpage for members to view. Motion denied as topic was not on the agenda.

8. **President's Report** – Mary England

Presidents' Forum meets monthly to discuss topics. Topics this month were: work order set up fees, insurance, and reviewing GRF Management Agreement.

9. **Committee Reports**

a. Budget and Finance Committee Report – Paul Moderacki

At the direction of the Board, the Committee met with Sue Adams to review the Membership Financial Requirements Policy. The Committee recommended no change to the policy at this time for the following reasons:

- Mutual's current policy provides reasonable financial qualifications for perspective members that want to move in to the Mutual.
- Policy protects the current Mutual membership by ensuring prospective members that the financial wherewithal consistently pays the monthly coupon.
- Policy retains sufficient and suitable flexibility for applicants who are on the margin of qualifying to meet established standards.

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- Committee found the insurance and mortgage marketplaces be given more time to surmount their present difficulties and develop suitable course corrections before making changes to the policy.

The 2024 Reserve Study is currently being reviewed by the Porter Group. Porter Group's Staff have been in Rossmoor recently conducting a physical survey of the property. They have taken pictures of each building and noted the number of stories, inspected condition of balconies, enclosures, roofs, and sidings. They have determined the buildings are well maintained.

b. Landscape Committee – *Pat Power*

Rehabs: Competitive Bids

It was decided that the Landscape Department would seek competitive bids for three to four rehabs over the next year that are estimated to be over \$15,000.00. The number of providers requested to bid will be at least 3. The FWCM Board will be requested to approve/confirm this decision at the next Board meeting.

A request for drawings will not be included, however the Landscape Department will provide detailed/itemized descriptions in the request. For these large rehabs, the LD will then provide a drawing to the LC members involved.

FireWise implementation

In order to reduce costs, it was decided that Lodi Stone and steel edging would be used only in areas with high visibility. Areas with low visibility, particularly those between Carmel manors that cannot be accessed directly from a sidewalk or are not directly next to a rear patio along that rear wall of the building will use dirt for the 5 foot barrier at the present. Mulch will be used beyond that barrier.

Further Assistance

It was suggested that we reach out to EBMUD or other local agencies for further information and/or assistance with turf conversion design and funds.

Irrigation

Information was requested about which entities ultimately control the water delivered to the landscape. Information was gathered subsequently and reported to the LC members.

c. Governance Committee – *Vacant*

No Report

d. Capital Projects Committee – *Mike Sund*

The Committee needs more volunteers.

On schedule evaluate 13 buildings electric vehicle charging infrastructure. Project is estimated to be completed by July.

e. Social Engagement Committee – *Marcia Keating*

Upcoming meetings:

- Ice Cream Social - May 31st, 4:00-5:30pm in the Diablo Room
- Directors Townhall for Districts 1 and 3 - June 24th 4:00-5:30pm in the Diablo Room

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- Resident Event - July 29th 4:00-5:30pm in the Diablo Room
 - Meet the Candidates for the election - mid-September 4:00-5:30pm in the Diablo Room
- All meetings will be advertised in the Rossmoor newspaper.

10. **New Resident Orientation** – *Jerry Priebat*

Next Orientation Meeting: The next scheduled meeting is on June 11, 2024 at 10:00 a.m. in the Bunker Room at the Creekside Clubhouse.

11. **Unfinished Business** – *Mary A. England*

Action Items

- a. Review Status of Amendments to the Alteration Policy
Chung reported on proposed amendments to the policy.
Autrey stated that the document has increased from 5 pages to 19 pages. To minimize number of pages, she suggested an Ad-hoc Committee be formed to review the original policy and determine necessary amendments. England and Chung volunteered to be on the Ad-hoc Committee.
- b. Approve Amendments to the Building Maintenance Policy
More analysis needs to be done on HVAC and roofing.
Topic Deferred

Motion made by England, seconded by Autrey, to amend the agenda and place topic d above c. Approved by unanimous vote. (5-0)

- d. Proposed Amendments to Bylaws on Board Expansion
Topic was presented initially in 2022. England stated that 9 Directors was approved at last Board meeting. Thomas corrected this and stated that 7 Directors was presented for a motion at the last Board meeting and the motion did not pass as there was not a quorum of the vote. Explaining why topic was brought back to the Board for discussion.

Motion made by England, seconded by Chung to reduce Board expansion from 9 Directors to 7 Directors.

Discussion – England is doubtful they can get four additional volunteers to be on the Board. Autrey stated increasing the number to 9 Directors could potentially increase the meeting's length of time. Chung stated meetings would be more successful if Board Members came to meetings better prepared so direction can be given.

Catalano asked for Locke's opinion. Locke opined that having 9 Directors allows for more flexibility.

Motion did not pass. (2-3 Autrey, Catalano, and Moreau opposed)

The board will move forward with four additional elections for a Board expansion to 9 Directors.

Autrey will forward change to legal counsel to amend the Bylaws and policy.

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- c. Proposed Amendments to Bylaws for Increase Participation in Committees
Topic Deferred

12. New Business

Action Items

- a. Requirements for Board Meeting Agenda Topics
England reported on new procedures for Board meeting agendas
 - Each New Business & Unfinished Business Agenda topic needs a Board Director point person who is responsible for introducing the topic, identify and recommend specific Board Action, and provide documentation for Board review and inclusion in the Board Packet.
 - Each New Business & Unfinished Business Agenda topic and attachments need to be delivered to Victoria Thomas, Board Services Coordinator, on the Friday preceding the Board meeting.
 - If the Board Director point person misses the deadline of the Friday preceding the Board Meeting, the topic will not be included in the agenda.
 - Each Agenda topic proposed for Agenda inclusion needs to be accompanied by a recommendation or proposal such as attached so the Board and Members know what Board Action is desired.

Motion made by England, seconded by Chung, to adopt procedural change with the agenda preparation. Approved by majority vote. (3-2 Catalano and Moreau opposed)

- b. Direct and standardize MOD solicit 3 competitive bids for projects over \$5,000.
Topic Deferred
- c. ACC Meeting Agenda and Minute Format
Topic Deferred
- d. Golf Cart Charging Fee Letters
Topic Deferred

13. Informational/Discussion Items

- a. Townhall – Update on Membership Bylaw Discussion
Topic Deferred
- b. Status of Governance Committee
Topic Deferred
- c. Freedom of Information
Topic Deferred
- d. GRF Breach of Contract
Topic Deferred

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14. **Announcements** – The next scheduled meeting is the Board of Directors Regular Meeting. The meeting will be held on June 28, 2024 at 10:00 a.m. in the Donner Room at the Event Center as well as virtually.

15. **Adjournment to Executive Session**

There being no further business the Board of Directors Regular Meeting was adjourned at 12:00 p.m. and the Board moved into Executive Session.

16. **Executive Session Summary**

The Board met in Executive Session from 12:10–1:09 p.m. to discuss:

- a. Discussion on Settlement Options
- b. Disciplinary Hearings:
 - Reimbursement Assessments
 - Unapproved alterations w/3 violations. Imposed \$100 fine per violation.
 - Violation of Noise Policy with dog’s excessive barking. Imposed \$100 fine.
 - Alleged Violation of Smoking Policy.

Board Assistant Secretary's Certificate

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

Victoria Thomas