

## MINUTES

### FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, AUGUST 27, 2021 AT 10:00 A.M. ZOOM

President John Moe called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, August 27, 2021 at 10:00 a.m.

PRESENT:           John Moe, President, District 3  
                  Jean Autrey, 1<sup>st</sup> Vice President, District 1  
                  Gerald Priebat, 2<sup>nd</sup> Vice President, District 2  
                  Pat Donahue, Treasurer, District 4  
                  Peggy Kaiser, Secretary, District 5

EXCUSED:           None

Staff was represented by Paul Donner, Mutual Operations Director; Doug Hughs, Building Maintenance Manager; Joel Lesser, Chief Financial Officer; Rebecca Pollon, Landscape Manager and Anne Paone, Administrative Secretary.

Mr. Moe welcomed 24 residents in attendance.

#### APPROVAL OF THE CONSENT CALENDAR

The consent calendar consisted of:

July 23, 2021 Regular Session Board Meeting  
July 30, 2021 Executive Session Meeting

Certify compliance with Civil Code #5500.

*Mr. Priebat moved to approve the consent calendar as presented. Ms. Autrey seconded and the motion carried without dissent.*

#### RESIDENTS' FORUM

Resident would like transparency on solar.

Resident reported that people are not recycling at all and it is very frustrating.

Resident reported that Board director, Jean Autrey, has items on the agenda that will explain short and long term projects. Her dryer vent was painted shut.

Resident supports solar. Would like to see electrical infrastructure addressed.

Resident applauded the Board for taking the time to look into infrastructure. The buildings are old. There has been some flooding. Pipes need to be addressed.

Resident thinks Board should look at the solar initiative.

Resident believes the Mutual needs to do electrical upgrades. There is a Zinsco box below him.

Resident read Mr. Golove's report. Compelling questions. Adrian Byram should have a chance to respond.

## LANDSCAPE REPORT

Ms. Pollon reported that Mr. Remington, the district 2 landscape representative, has stepped down. She had a card and a plant to give him to thank him or his service. She also had a plant and a card to give to Richard McPherson. He was a landscape architect and was very helpful in designing some areas.

Four Monterey Pines were removed from Rockledge, E8. More need to be removed. Five more need to be removed on the hill above.

*Ms. Kaiser moved to approve removal of the 5 Monterey Pines located at Rockledge, Entry 8, at a cost of \$11,045 from the reserve account. Ms. Autrey seconded and the motion carried without dissent.*

Ms. Pollon explained the Batch II landscape rehabs.

*Ms. Kaiser moved to approve the Batch II project list in the amount of \$34,012 from the reserve account. Batch II small projects included \$1,260 for landscape rehab from the operating fund and \$10,850 for irrigation upgrades from the reserve fund. Mr. Priebat seconded and the motion carried without dissent.*

The landscape rehabs were reviewed by the Landscape Committee.

## LANDSCAPE COMMITTEE REPORT

Ms. Crinion reported 2 residents attended the committee meeting. There were some issues regarding fire safety. Curtis will address them. They discussed current projects. There is information in trash enclosures for 2 districts. They have received plant replacement requests. They are due by October 1. The committee needs a representative for district 2.

## TREASURER'S REPORT

Ms. Donahue reported the number of delinquencies totaled \$117,700. They are following up on them. There are some outstanding third-party billings. They are also following up on these. The Mutual is over budget in Building Maintenance, Landscape, Utilities (\$64,000 over and \$62,000 is due to water usage, and Professional Services-mostly legal services.

Mr. Lesser reported the July financials show the ending operating fund amount is \$1,292,917. The ending reserve fund amount is \$6,391,521. The Mutual is \$83,225 over budget. YTD, the Mutual is under budget by \$150,429.

*Ms. Donahue moved to take \$1,100,000 from the operating fund to pay back the reserve fund for the outstanding debt. Ms. Kaiser seconded and the motion carried without dissent.*

The Board agreed to the appointment of Andrea Szentirmai as Chair and Paul Moderacki as Vice Chair of the Budget & Finance Committee.

## BUDGET & FINANCE COMMITTEE

Mr. Moderacki reported on behalf of the committee as follows:

The Committee revisited the cost allocations for the electrical inspections authorized in the wake of the Golden Rain fire and agree with the decision to use reserve funds for the inspections and any needed repairs.

Director Autrey and Sandra Crinnion, from the Committee, volunteered to develop a rubbish and recycling Do's and Don'ts Guide to attach to manor doors by mutual inspectors for people moving in or out.

Dough Hughs reported MOD signed a contract with Pure Electric to inspect stove electrical connections and pre-2000 electrical box sub panels for about 500 manors.

In lieu of developing a list of fire safety improvements and establishing an implementation schedule, the Committee was asked to wait for the Board to form a Planning Committee to address this and other long-term infrastructure needs.

Paul Donner said the first draft of the proposed 2022 Budget had been distributed to the Board. The next B&F Committee meeting is Sept. 21st via Zoom.

### MUTUAL OPERATIONS REPORT

Mr. Donner reported that Solar is on the GRF site as part of the Board packet. It is also on channel 28. The GRF Board formed a task force. GRF anticipates having a \$3.7M surplus. They decided to pay back the expenses from Covid such as supplies. This included wipes, masks, plastic shields at some desks, etc. They will fund the operating fund. GRF will also pay back MOD for a \$383,000 loss due to Covid. Pending the final audit and GRF approval, FWCM should receive about \$700-\$750K from the surplus.

Mr. Hughs reported as follows:

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**CARPENTRY AND PAINT-** Carpenters have been working on 1316 Oakmont Drive, entry 7 and 2557 Golden Rain Road, entry 18. They will then be moving onto 1300 Oakmont Drive. Painters are currently at 2549 Golden Rain Road, entry 18 and 1441 Oakmont Drive, entry 11.

**ASPHALT WORK-** Black Diamond Paving has completed our asphalt work for the year during the first week of August. They repaved Golden Rain entries 3, 8 & 11.

**FIRE BUILDING-** We will be meeting with the insurance adjusters and project manager this week to get updates on our future next steps to take. The middle four units most damaged by the smoke and water, units 3, 4, 5 and 6 have been fully abated and sealed with primer. The smoke damaged attic insulation of the building has been removed and the wood structure of the attic itself has been sealed with primer as well. All of the air duct work for the upstairs units of the building is scheduled to be replaced middle of September. Fred Ponce has taken over 100% as our Project Manager on overseeing the rebuilding of the building.

**STOVE CONNECTIONS-** We are working with Pure Electric to wrap up the signing of the Contract and supply them with the specifications for the inspections and the resident lists for which manors to inspect. They should be starting inspections early next month.

## RECYCLE/COMPOSTING

Mr. Moe reported the Mutual is moving forward with some signage, especially for residents moving in or moving out. There is a need to improve compliance. Mr. Moe reported that he hasn't received any calls for overflow, so that is good news. No extra costs. There have been no calls on contamination either. He reminded the members that no soft plastic goes into the recycling. (No bubble wrap, no soft bags) Ms. Kaiser said she saw some overages for July, but no contamination.

## SOLAR TECH COMMITTEE

Mr. Moderacki reported the following:

The Solar Technology Committee has continued to meet every other week and met on Aug. 3rd and Aug. 17th.

Like the owners who spoke earlier, the Committee members are also disappointed by the lack of open discussion of the Solar Initiative at the Mutual Board level and the Board's decision making processes. It has raised considerable and serious concerns by mutual owners over the Board's transparency.

Many questions have been raised about the Solar Initiative that can only be answered through investigation.

The Golove Report also raised questions that need investigation and response. Several of those questions were answered earlier this week, regarding the independence of Sage Energy from Table Rock when it was announced Sage Energy had been purchased by NV5 Global, Inc., a provider of compliance, technology, engineering and environmental consulting solutions.

Given the expected dissolution of the Solar Tech Committee later in the meeting, the Committee requests the Board commit to assigning this issue to the Master Sustainability Plan Resource Committee when it is formed.

## PRESIDENT'S REPORT

Mr. Moe reported the presidents and GRF are working on the Management Agreement. There was no Errors & Omissions insurance. It has been added to the insurance policy. They are still discussing the indemnity clause. Ms. Pollon presented a uniform landscape policy for the valley. The Board needs to consider it and to vote on adopting it. Gallagher gave a presentation. The Mutuals need to budget for a 25% increase on insurance. They need a new evaluation of the worth of the buildings. CCC Fire Prevention District is working on a home fire assessment. A survey will be out online. FWCM will get the first mailing. There will be Evacuation Zone signs posted on the entry signs. It will tell residents where their zone is located. The FWCM Board needs to vote on this. GRF will fund the signs and installation.

*Ms. Autrey moved to authorize GRF to install the Evacuation Zone signs on Mutual property at various locations. Ms. Donahue seconded and the motion carried 4-1 (Kaiser)*

## ORIENTATION – Gerald Priebat

Mr. Priebat reported he held an in-person meeting at the Tahoe Room at the Event Center. Approximately 25 residents attended. It worked out very well. The next orientation will be held on November 9<sup>th</sup>, 2021.

### UNFINISHED BUSINESS

None

### NEW BUSINESS

1. Establish a Master Sustainability Plan Resource Committee

Ms. Autrey reported that the Board has been copied on the Charter.

*Ms. Donahue moved to establish the Committee and appoint Jack Appleman and Mary England as Co-Chairs. Mr. Priebat seconded and the motion carried without dissent.*

Items 2-5 have been tabled to the next meeting.

### ANNOUNCEMENTS

Mr. Moe again asked residents to use water sparingly, due to the drought.

The next regular Board meeting: Friday, September 24, 2021 at 10:00 a.m. via Zoom

### ADJOURNMENT

Having no further business, the meeting adjourned at 11:31 a.m.



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Anne Paone, Assistant Secretary  
First Walnut Creek Mutual

\*\*\*The Board of Directors met in executive session on July 30, 2021 at 10:15 a.m. to discuss the following:

1. Member Matters – Smoking, Payment Plan
2. Contracts
3. Legal

Having no further business, the executive session adjourned at 11:25 a.m.