

## MINUTES

### FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, FEBRUARY 25, 2022 AT 10:00 A.M. ZOOM

President Jean Autrey called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, February 25, 2022 at 10:00 a.m.

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

EXCUSED: None

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

Ms. Autrey welcomed 20 residents in attendance.

#### APPROVAL OF THE CONSENT CALENDAR

The consent calendar consisted of:

January 28, 2022 Regular Session Board Meeting  
January 28, 2022 Executive Session Meeting  
February 11, 2022 Executive Session Meeting  
Certify compliance with Civil Code #5500.

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

A voice vote was taken with all Board directors responding aye.

#### RESIDENTS' FORUM

Resident asked about spraying trees.  
Resident asked about circuit breaker panels and inspections  
Resident stated she has not received her 1098 tax form.  
Resident stated that she asked Ken Johnson of Gallagher insurance about the impact of BBQs on insurance rates. She was told it was of no consequence to insurance.

Ms. Autrey thanked everyone for their participation.

#### LANDSCAPE REPORT

Mr. Donner reported that trees are flowering. Some flowering trees bear fruit. They are sprayed as needed, but timing can be an issue for spraying. We are currently trimming and doing large shrub pruning. Ms. Pollon laid out the work for the year. We are in the process of hiring a landscape manager, John T. from BrightView. His strength is water

conservation. We have hired a replacement for Sharon Fee's position.

*Mr. Moe moved to approve the proposal from BrightView for mulching in the amount of \$59,800 to be taken from the operating account. Ms. Copley seconded and the motion carried without dissent.*

A voice vote was taken with all Board directors responding aye.

### LANDSCAPE COMMITTEE REPORT

Ms. Crinnion reported that they have reviewed the project list. Ms. Pollon went through the list with the committee at their February meeting. Their next meeting will be on April 8<sup>th</sup> at 11:00 a.m.

### TREASURER'S REPORT

Ms. Donahue reported the December ending balance in the operating fund was \$2,024,496 and the ending balance in the reserve fund was \$6,499,412. The Mutual ended 2021 within budget. Building and maintenance was over in electric, plumbing, and fire extinguishers. Utilities were over in water.

Delinquencies totaled \$122,322 in coupon payments. Half are over 90 days.

Mr. Lesser reported on insurance. There is a \$38 million gap valley-side. The valley is insured to up to \$2 million. He explained when the financials can be expected by the Board.

### BUDGET & FINANCE COMMITTEE

Mr. Moderacki reported the following:

The 1st Mutual B&F Committee met via Zoom on Feb. 15, 2022.

The year-end financial report wasn't distributed in time for the B&F meeting due to a number of factors including staff departures and new arrivals, hiring and acclimating new staff, preparing for annual audits and closing the 2021 books on all the mutuals and GRF.

The Dec. 31, 2021 statements were received in time for this meeting. Although the report remains subject to the annual audit and a thorough examination, it appears the substantial coupon increase had the effect the Committee and Board intended. For the first time in several years, First Mutual ended the year with an Operational Fund surplus and a Replacement Reserve Fund surplus. These results will provide the Mutual with some breathing room as it continues to face some major headwinds moving forward.

Joel Lesser reported all the 2022 insurance policies were still not in place and the insurance brokers were still trying to fill a \$39 million gap in coverage. He said a major update is scheduled for the President's Forum meeting this coming Monday, Feb. 28th.

The Committee had a lengthy discussion about the growing number of electric vehicles (EVs) in First Mutual. There are now 42 registered EVs. Based on data gathered from the PG&E website, the Committee unanimously recommended the Board consider adopting a policy change to charge EV owners \$320/quarter (i.e. \$100 per month, plus a \$20 administrative processing fee) for the cost of electricity to charge the vehicle, unless the owner installed a separate service and meter or presents documentation proving he/she/they are charging their vehicle elsewhere (not utilizing Mutual facilities), and that the monthly rate would increase as PG&E rates increased.

The Committee is also working to determine an appropriate rate for charging electric golf carts.

The Committee is also developing a list of topics and questions for a future meeting with Helsing representatives to discuss the Mutual's annual infrastructure report. The Committee plans to meet with Helsing representatives jointly with the Board and members of the Resource Planning Committee this spring.

### MUTUAL OPERATIONS REPORT

Mr. Donner reported that everything is now open. Indoor mask requirements are not in place. Mutuals can go back to in person meetings.

Mr. Hughs reported as follows:

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FIRE BUILDING- Pound Management, the Project Management Company that is leading the rebuild, is working on signing on a Contractor to do the truss and roof replacement work at the damaged section of the Fire building.

ELECTRICAL RANGE/SUBPANEL INSPECTIONS- Pure Electric is now doing their best to acquire the parts needed to replace the first batch of ten subpanels. Supply chain issues are still a major challenge in acquiring electrical supplies. Once they obtain the materials, they will start to schedule the replacements.

CARPENTRY/PAINT REHAB WORK- Since the weather has been dry, we have started the carpentry and paint rehab work early. Carpenters are currently working on 1200 Oakmont Drive, entry 5 and 1115 Oakmont Drive, entry 3. They will then move onto 1131 and 1216 Oakmont Drive.

ROOFING- Also due to the cooperative weather pattern our roofers will be starting their carport reroof work next week Monday. Notices have been posted on carport #318, Oakmont Drive entry 11 to start work on Monday and should take most of the week.

PG & E- PG & E is currently working up at Rockledge Lane, entry 8 setting new electrical boxes in the entry and running new conduit up the hill to the transmission lines. They will probably be working in this area on and off for the next several weeks.

Ms. Kaiser reported that some people have Zinsco panels, but are not being inspected. Mr. Hughs stated they are inspecting for pre-2000 range stove connections and while they have the electrician there, he will look at the Zinsco panels. Inspecting was not the original intent.

### RECYCLE/COMPOSTING

Mr. Moe reminded everyone that the new law states it is illegal to put Compost (food scraps) in the landfill. Republic Services will check this. No plant material in the landfill, either. There is an ongoing problem with construction debris being placed in the enclosures.

### PLANING RESOURCE COMMITTEE

Ms. England reported the following:

The Water Group had a productive meeting with EBMUD. The committee would like the Board to support water conservation program.

The Governance Group made 5 recommendations. The Committee will review them.

Mr. Appleman reported they distributed a second survey to the residents. They have collection boxes in the laundry room. Survey one information is being entered into a data system. There is an online survey and the link is in the News. They reached out to PG&E via

email. The committee will meet again on March 8<sup>th</sup> 2 pm in the Club Room and on Zoom.

### PRESIDENT

Ms. Autrey reported the meeting will be this coming Monday.

### NEW RESIDENT ORIENTATION

The next orientation will be held on March 8<sup>th</sup> at 10:00 a.m. in the Donner Room at the Event Center.

### UNFINISHED BUSINESS

1. Electrical Inspections/Standard Stoves – Ms. Autrey reported that she checked with the Mutual's attorney. The current standard is the G.E. stove. Ms. Autrey suggested the standard be changed from 24" – to 27".
2. Policy 20 – Ms. Autrey stated BBQ policy should be a separate policy. Ms. Kaiser agreed. Ms. Autrey asked the Board if BBQs are a fire risk. She thought the policy should follow the fire code and not allowed if there is an overhang/roof. Mr. Moe suggested having a Fire Marshall come out to look at the areas. Mr. Hughs will try to set that up. Ms. Copley prefers doing BBQ areas. The Mutual could consider putting in a pad. Ms. Autrey tabled this item until they hear from a Fire Marshall.
3. EV Charging – Mr. Moe is trying to see if the charging process can be streamlined. SWCM runs a program allowing residents to just plug in at the carport. He introduced Mark Fehlig from SWCM to explain how their program works.

Mr. Fehlig reported there are 3 parts – political, Cost, and Technical.

SWCM has about 20 people charging right now. The electrical can't handle everyone plugging is at full potential. The limit is 8 amps – 1 to a breaker per building. Golf carts plug in, too.

SWCM has policy 6.6.2. There is a need to educate people. One-third plug in at Rossmoor using GRF chargers and one-third go outside of Rossmoor. One-third are visitors. In a few years, the situation may resolve itself.

Policy 6.5 mentions that it complies with the State Code. Ms. Autrey asked how this is monitored. Mr. Fehlig responded that he monitors them and personally talks to each person. They are currently 28. They are invoiced by MOD – Tina. SWCM changed out the plugs for the outlets on the Mutuals' dime.

Ms. Autrey thanked Mr. Fehlig for his presentation. She stated that the Board should look at the SWCM Policy 6.6.2.

4. Smoking Policy was tabled to the next meeting.

### NEW BUSINESS

All items were tabled to the next meeting.

### ANNOUNCEMENTS

Ms. Autrey announced there will be a meeting on March 11 at 10 a.m.

ADJOURNMENT

Having no further business, the meeting adjourned at 12:10 p.m.



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Anne Paone, Assistant Secretary  
First Walnut Creek Mutual