

MINUTES

FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, JANUARY 27, 2023 AT 10:00 A.M. ZOOM

President Mary England called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, January 27, 2023 at 10:00 a.m. via Zoom.

PRESENT: Mary England, President, District 5
Pat Donahue, 1st Vice President, District 4
John Moe, 2nd Vice President, District 3
Jean Autrey, Treasurer, District 1
Elizabeth Copley, Secretary, District 2

EXCUSED: None

Staff was represented by: Paul Donner, Mutual Operations; Joel lesser, Chief Financial Officer; Dave Peakes, Building Maintenance Manager; John Tawaststjerna, Landscape Manager; and Anne Paone, Administrative Secretary.

APPROVAL OF THE CONSENT CALENDAR

The consent calendar consisted of:

October 14, 2022 Executive Session Meeting

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

A voice vote was taken. England-Y, Autrey-Y, Moe-Y, Donahue-Y, Copley-Y

Ms. Donahue moved to certify compliance with civil code #5500. Ms. Copley seconded and the motion carried without dissent.

A voice vote was taken. England-Y, Autrey-Y, Moe-Y, Donahue-Y, Copley-Y

RESIDENTS' FORUM

Resident stated the membership transfer fee is very high. She wondered why it is so high when a resident is moving from one location to another.

Resident acknowledged Dave Peakes and MOD for their work during the rain storm. He also thanked the Board.

Resident urged the Board to approve shared solar on the carports.

LANDSCAPE REPORT

Mr. Tawaststjerna gave the following report:

FWCM Landscape Report

Maintenance Report

- Clearing out v-ditches and drainage systems from the storm
 - If you have a clogged drain, please call or email the WO desk
 - 925-988-7650
 - workorder@rossmoor.com

- Pre-emergent weed spraying
- Oleander pruning

Tree Maintenance

- Yearly tree maintenance for health, safety, and building clearance completed at the following entries
 - Golden Rain Entries 23 to 28

Landscape Rehab

- 2148 Golden Rain #2 Entry 13
 - Completed
 - Resident has been billed

LANDSCAPE COMMITTEE REPORT

No report.

TREASURER'S REPORT

Ms. Autrey reported the November ending balance for the operating fund was \$3.8 mil and the reserve fund ending balance was \$7.9 mil. Insurance and legal were over budget. Mr. Donner reported the Mutual is better than budget in water. He said it has been a long time since they were under budget in water.

Mr. Lesser reported the December financials will be read mid to late next week. He announced that he will be resigning. He will continue to work until April 6. He may be semi-retired and might do some consulting.

Ms. Autrey stated he did a great job and wished him the best of luck.

BUDGET & FINANCE COMMITTEE

Ms. Prichard reported the committee is reviewing the reserve study. Mr. Donner is working with them. They will look at the reserve study options.

MUTUAL OPERATIONS REPORT

Mr. Donner reported that the Budget Committee and the Board had a combined meeting. They looked at the reserve study. He has reached out to Gary Porter. Mr. Porter is interested in presenting his model on Zoom.

MOD has a sandbag station created due to the rain storm. Residents are asking what to do with the bags. Mr. Donner recommended that for now they hold on to them because we may have more rain. MOD will have a plan when it is time to give them up. MOD received over 2,000 calls, not including calls to Securitas. Most call were for clogged drains. There were 17 downed trees and 5 landslides. Some were in FWCM. MOD is still cleaning up. Most of the mud has bene picked up. A few drains are still being pumped. BrightView doesn't have an after-hours crew. Mr. Tawaststjerna spoke with them and they have agreed that for the future they will have people on call.

Mr. Donner also reported that quite a few calls came through that were not emergencies. This slowed down the team because they had to look at them.

Mr. Peakes gave his report as follows:

PG&E – VPI (Veteran Power) has resumed work on the Rockledge project. I spoke to their Foreman who let me know they are finishing up tie-ins of the previously run conduit. After this week they should be near completion with the excavating and ready for PG&E to run the new lines. After the lines are run, then the remediation of asphalt, concrete and landscape can commence.

CARPENTRY/PAINT REHAB WORK- Carpentry crews have finished the 2022 rehab program and will wait for weather to cooperate before initiating the 2023 rehab program. The painting crew has two buildings remaining to finish what was on last year's agenda (2501 and 2549 Pine Knoll).

FIRE BUILDING – Mark Scott Construction has been handed a punch list of items to address on the roof and truss scope of the rebuild. They have seen the list and are currently working to complete it. Oak Park construction has already begun mobilizing on the interiors rebuild. I have inquired about a loose timeline for completion, and it looks as though the two-year mark from the initial date of the fire (6/3/21) is in the ballpark.

ELECTRICAL PANELS – With the Boards permission, I would like to resume the interior electrical panel replacement program. I think that by stopping the like for like panel replacements and installing bigger panels, we are facilitating room for growth if/as needed. I have received a bid from Gauthier Construction to do the panel replacements (with City permits and drywall repairs included) for a cost of \$2989.00 per panel. We were working under a contract with Pure Electric who had them bid at \$3,595 not including drywall repairs which in many cases had the total cost per replacement over \$4,000. There is a provision that allows us out of the contract with Pure Electric, without cause, with written notice. Thus far, 20 of the 105 panels on the list provided have been replaced. The remaining panels should be done at a total cost of under \$255,000 (85 X \$2989 == \$254,065).

ROOFS - I have started putting together a roofing program for this year. I had hoped to get out on the roofs a few weeks ago but the weather prevented that. I have walked some roofs and will be prioritizing this year's replacements by age and wear. Frank Fiala Roofing has been the vendor used over the years in this Mutual. His costs are consistently competitive but the service and quality of work is significantly better than other roofers used in the past. For those reasons rather than put the roofs out to bid, I'd like to continue with Fiala.

The Board asked for a proposal indicating the timeframe and costs to do all of the electrical panel replacements for the future.

Mr. Moe moved to change from Pure Electric to Gauthiers to change the electrical panels. Ms. Autrey seconded and the motion carried without dissent.

A voice vote was taken. England -Y, Autrey-Y, Moe-Y, Donahue-Y, Copley-Y

Ms. Autrey moved to approve replacing 85 electrical panels with Gauthiers and a NTE amount of \$255,000 to be taken from reserves. Ms. England seconded and the motion carried without dissent.

A voice vote was taken. England-Y, Autrey-Y, Moe-Y, Donahue-Y, Copley-Y

RECYCLE/COMPOSTING

Mr. Moe reminded residents to use Rapid Recycle to do pick-ups of electrical items. The Mutual can always order a larger organics cart, if needed.

PRESIDENT

Ms. England reported that the Presidents of the Mutuals meet monthly. They meet with GRF, too. They talked about the storm's impact. There was a presentation from a Mutual regarding insurance premiums over the next ten years.

Civil code #4041 was mentioned. They will follow-up on this.

NEW RESIDENT ORIENTATION

Mr. Priebat reported the next orientation will be on February 14 at 10:00 a.m. in the Donner Room at the Event Center. September orientation was cancelled. Invitation letters will go out.

UNFINISHED BUSINESS

1. Update on Water-Cooled A/C
Mr. Peakes will get back to the Board.
2. Social Update
Ms. Autrey has the latest draft. Ms. Copley wanted to propose an amendment. *Ms. Autrey moved that any proposed amendment to Solar needs to be in writing and distributed to the Board for review. Ms. Donahue seconded. The motion carried 4-1.* A voice vote was taken. England-Y, Autrey-Y, Moe-N, Donahue-Y, Copley-Y
Ms. Autrey suggested having the attorney attend the next meeting. The Board agreed to do so.
3. Expand the Board Directors and Number of Districts
Dick Locke gave a presentation on reasons to expand the Board and what number might be appropriate, a total of 7 or 9 directors. Ms. England stated she gets a lot of inquiries. Ms. Donahue stated she doesn't get too many and Ms. England may have had more calls due to Ms. Donahue's being unavailable for a while. Mr. Donner gave some pros and cons. He stated that on the surface there are benefits, but it is difficult to get Board Directors. The Board can lose cohesiveness with more directors. This is a Board preference.
Ms. England moved to adopt a proposal from the 10-Yr Planning Committee to expand the Board in FWCM and to do redistricting. Ms. Copley seconded and the motion failed 2-3.
A voice vote was taken. England-Y, Autrey-N, Moe-N, Donahue-N, Copley-Y

NEW BUSINESS

1. 10-Year planning Committee Proposals
 - A. Assessment of Seismic Risk of G-11 Buildings
Deferred pending Capital improvement Committee meeting.
2. Resource Management System Proposal
Preserve, maintain, and manage the Resource Management System and its contents. The proposal included establishing up to 3 managers for the Google Drive account. Place responsibility for management of the system on the Social Engagement Committee or its successor committee.
Ms. Autrey moved to accept the Resource Management System proposal. Ms. Donahue seconded and the motion carried 4-1.
A voice vote was taken. England-Y, Autrey-Y, Moe-N, Donahue-Y, Copley-Y
3. Mut 1 Town Hall Proposal
Proposal suggested having a Town Hall to discuss looking at MOD support and services.

Ms. Copley thought the Board should do a triage with MOD separate from a Town Hall. They could discuss how the Mutual will move forward in the future and how they work with MOD. Ms. England thought members could share their experiences regarding the rain storm.

Mr. Donner stated that there are some things that should be discussed with MOD, not members.

The Board wanted to discuss its support and communication with and from MOD. No agenda for the Town Hall was decided at this time.

ANNOUNCEMENTS

Ms. England announced there will be a regular Board meeting on February 10, 2023 at 10:00 a.m. on Zoom.

ADJOURNMENT

Having no further business, the meeting adjourned at 12:06 p.m.



Anne Paone, Assistant Secretary
First Walnut Creek Mutual