



FIRST WALNUT CREEK MUTUAL

BOARD OF DIRECTORS REGULAR MEETING

Friday, June 23, 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 to the meeting to order at 10:00 a.m.

Roll Call of Directors

Mary England – President – District 5
Pat Donahue – 1st Vice President – District 4
Barry Hirsch – 2nd Vice President – District 3
Jean Autrey – Treasurer – District 1
Elizabeth Copley – Secretary – District 2 – *Via Phone*

MOD Staff

Paul Donner – Director of Mutual Operations
Jeroen Wright – Director of Mutual Operations
Tom Hand – Chief Financial Officer
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: two unauthorized vehicles that are not registered, member would like to add a USA flag on the flagpole, member's caregiver brings child to the manor when working, member requested reimbursement for cost incurred when staying at a hotel, email etiquette – asked Board Members to reply back sooner than what they are currently doing.

Consent Calendar

The Consent Calendar consisted of:

- a. Board of Directors Regular Meeting Minutes – May 26, 2023
- b. Architectural Control Committee Meeting Minutes – May 31, 2023
- c. Board of Directors Regular Meeting Minutes – June 9, 2023

Motion made by Autrey, seconded by Donahue to approve the Board of Directors Meeting Minutes as posted. Approved by unanimous vote. (5-0)

Landscape Report

General Work

Tawaststjerna reported:

- Cutting of ivy off sidewalks
- Grub control as needed on lawn areas
- Deadheading of perennials as needed

PG&E Meeting on 6/15

- Representatives from PG&E, MOD, VPI, and the Landscape Committee met along Rockledge to discuss PG&E work done that destroyed landscaping
- Entries affected were Rockledge 8, 9, & 10 and Oakmont 4, 5, & 7
- PG&E is gathering estimates to have concrete and asphalt fixed
 - Paid by PG&E
- Landscape Manager is gathering estimates from Brightview for plantings that were removed around transformers and other locations in landscape
 - Paid by PG&E
- Irrigation will also be installed by Brightview
 - Paid by FWCM

Tree Maintenance

- Storm Damage Costs for Tree Maintenance Emergencies
- Operating: \$22,844.00
- Reserves: \$57,495.00
- Removal permits are being applied for the following list of trees
- 4 Monterey Pines Oakmont Entry 1
- 3 Canary Island Pines Golden Rain Entry 11
- 4 Canary Island Pines along Golden Rain across from Iris Park
- 3 Stone Pines Golden Rain Entry 17
- 1 Aleppo Pine Golden Rain Entry 24
- 4 Monterey Pine Rockledge Entry 10

The Mutual is on budget with the storm damage costs.

Proposal for Approval

- Hamilton Quote for 4 Monterey Pines at RL E1 (Not to Exceed)
- \$14,000.00 (Reserves)
- Notice attached was sent to residents. Trees are in a high traffic area, and they are not healthy or a desired species.

Permit from the City of Walnut Creek has not been granted yet (applied on 5/26), which is why action is not to exceed.

Motion made by Autrey, seconded by England, to approve the not to exceed cost of \$14,000 from the reserve fund to remove 4 Monterey pines trees at Rockledge Entry 1. Approved by unanimous vote. (5-0)

Landscape Committee Report

The Landscape Committee met with John Tawaststjerna on June 7th. Resident forum focused on irrigation system repair on Pine Knoll. Resident commented on the length of time for the repair, and lack of irrigation and concern routine landscape maintenance and lack of watering the landscape would cause damage. Landscape Director reported the completion of the subcontractor work on the system, and explained details of the irrigation controller(s).

The First Mutual Landscape Committee Priorities for 2023 are:

- Monthly Meetings of the Landscape Committee
- Safety of Life and Property
- Tree Maintenance: safety and removals
- Expand capacity for Extreme Weather Events such as winter storms/Atmospheric Rivers
- Water Conservation
- Rehab Projects focused on Lawn as well as Ivy Bank reduction

- Develop plant material “palette’ of drought tolerant, climate appropriate; landscape trees, shrubs, perennials and groundcovers
- Coordinate with GRF/ConFire Wildfire Abatement and Safety Program
- Coordinate Continuity of Landscape Character and Quality with renovation and rehab projects that will last for decades as the original 1st Mutual Landscape has endured for decades.

District 5 Rep and Landscape Chairperson report Fairlawn Entry 5 residents reports of severe flooding, including mud and silt covering Entry Driveway from hillside drainage system failures. Reports of Brightview crew, as well as residents involved in corrective maintenance issues during active storms and flooding brings up safety issues as well as possibility of resultant legal action against Mutual 1.

Natural land feature of a major seasonal water fall/collection area of hillside regions including Fairview, Running Springs manor buildings of Mutual 2 and even Dollar Drive manor buildings in Mutual 3 which all drain to that Fairview 5 Entry. Original Drainage systems have been updated and now require additional work outside of the purview of this Landscape Committee.

This is an Inter-Mutual issue which requires a special committee to be appointed to manage non-GRF property and Infrastructure (storm drain) issues. MOD Director and MOD leads including Landscape Director to serve a 1st Mutual Board appointed ad hoc committee to assess and develop engineered and maintenance solution for long term solutions.

Treasurer

Treasurer’s Report

Jean Autrey reported:

Cash in Bank - Operating	1,384,034
Includes an unknown amount for the property fund	

Net Income to Date	420,363
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Ending Fund Balances

Operating	2,315,733
Property	7,241,447
Reserve	8,787,591

	Per G/L	Per Aging
Accounts Receivable -Assessments	142,279	142,279
Accounts Receivable - 3rd Party		
Billing & Other	1,576,016	220,695
Total Receivables:	1,718,295	362,974

Under/(Over) Budget (excluding revenue)

	Operations
Current Month	64,258
Year to Date	121,003

Categories - Operating YTD

Building Maint & Public Works	(15,247)
Landscape Maintenance	30,220
Elevator Maintenance	(840)
Custodial Services	(1,778)
Insurance	(30,249)
Utilities	145,756
Professional Svc	3,226
Other General & Admin	(10,084)
	121,004

AR collections are ongoing. \$44,800
collected so far
Estimated cost to us of the Mutual 2 fire on 6/9 is \$70-
72,000

Donner added that due to a reclass of insurance monies for the insurance deductible the Mutual is under budget by \$230,000.

Budget and Finance Committee Report

Ann Prichard reported:

- No financial statements available for January to March 2023. Expect all within next week.
- Jean Autrey reported that she/Board is working on collections for Accounts Receivable. Charges on books back to 2011.
- Unfinished Business: Committee Member, Paul Moderacki, will take the lead on recommendation as to any changes in a Reserve Study provider. A. Prichard continues preparation of how property management services provided to the Mutual by MOD.
- Committee input provided to Board regarding Jenark replacement data base/accounting system.
- Discussion of ways to better communicate with members, especially regarding importance of following trash/recycle rules that affect monthly trash collection overage charges. More in Meeting Minutes.
- New Comcast contract issues discussed, specifically regarding new charges that are not explained. Andrea Szentirmai to follow up issue.
- Peggy Kaiser, member, spoke on golf cart registration and electric fee issues.
- Announced: Victoria Thomas, new Board Services Coordinator, replacing Anne Paone; Barry Hirsch, new Board Member replacing Elizabeth Copley; Tom Hand, new Chief Financial Officer.

Mutual Operations Report

Donner reported:

Jeroen Wright began June 14th as his replacement.

Donner announced that there was a fire to one unit in Second Walnut Creek Mutual. Fortunately, the unit was vacant. The cost of the damage is over the \$250,000 insurance deductible. First Walnut Creek Mutual's share of the cost will be approximately \$70,000, which will be absorbed in the Operating Budget.

Wright is heading a project to get Rossmoor to be a certified firewise community. Wright will give a presentation at the Presidents' Forum.

Wright said the Firewise Program is a nationally credited program through the National Fire Protection Agency. Becoming accredited in the Firewise Program will not lower insurance premiums, but it may allow people to get fire insurance within Rossmoor.

Staff Change – An employee in the Accounting Department resigned. Bud Baxter will fill the position and will work with the Board on budget preparation.

Dave Peakes reported:

Carpentry/Paint Rehab Work

Carpenters on Rockledge Lane have finished up on 1427. They are starting on 1443 and then will move on to 1459. Painters have finished up several carports on entry 6 Rockledge and are ready to start on 1372 and then 1388 Rockledge before starting at 1411 on entry 8. Carpenters on Golden Rain are finishing up on 2009 and will move on to 2073. Painters have started 2057 and will then move on to 2009.

Fire Building

2925 Golden Rain Rd., units #3 and #4 have been signed off by the City of Walnut Creek. It is anticipated that units #5 and #6 will be signed off next week sometime. The target date of completion and transfer back to the residents on July 5th looks to be right on schedule.

Electrical Panels

Gauthier Construction has swapped out 26 of the Zinsco interior sub panels leaving 54 remaining on the initial list provided by Pure Electric. By years end we should be able to determine how many panels are left from the information gathered during the annual home inspections.

1116 Fairlawn

Aantex has sealed over 30 penetrations in the sub area of the building. They have set traps and have placed many bait boxes throughout the building's perimeter. The roof has been sealed. Traps have been set in that attic and are being monitored for activity. Residents have been asked to contact myself or the Workorder Desk with any issues so that we know the status of what's going on and where. Residents also have been contacting Aantex directly. Through my contact with the residents, it appears that noises in the walls are being heard sporadically and with a decreasing frequency. I am confident that this building is nearly rodent free.

Attic Firebreaks G-11 Buildings

G-11 Buildings in FWCM come in 8 unit, 12 unit and 16 unit configurations. Currently the 8 unit buildings have one firewall in the middle of the building above the #3+ #5 units. (2) more attic firewalls would be needed in the 8 unit buildings to have firestops between every upstairs unit. There are (49) 8 unit G-11's in FWCM. At an estimated cost of \$3,500 per firewall, 98 attic firewalls come to \$343,000.

There are (21) 12 unit G-11 buildings which currently have 2 attic firewalls in between the #3 + #5 and #7 + #9 units. (3) more firewalls would be needed in the 12 unit G-11's to have firestops between every upstairs unit. The cost for 63 attic firewalls come to \$220,500. There are (17) 16 unit G-11's that currently have 3 attic firewalls situated between the #3 + #5, the #7 + #9 and #11 + #13 units. These buildings need 4 new firewall installations to have firestops between all upstairs units. 68 firewalls come to a cost of \$238,000. An estimated total cost of \$801,500.

This work would only be done in the winter months due to the excessive heat in the attics and would take an approximate 5 years to complete.

Carport Inspections

Hogue Roofing Consultants has provided an estimate to inspect the carports for specific issues requested by the Mutual (electric vehicle plug ins, inoperable cars) along with other violations such as excessive storage, flammable items, damaged units etc. His bid for this work is \$2,826. He last performed this service for FWCM in 2017.

Asphalt

3 bids have been received for this years asphalt work which encompasses the removal and replacement of the asphalt in entries 10 and 11 Oakmont Dr.. Black Diamond Pavings estimate of \$102,203 was the mid range bid between the high bid of \$107,013 from TARC Construction and the low bid of \$94,755 from Silicon Valley Paving. Silicon Valley Paving has a good history of work in our Mutual, and their bid is the only one that sits under this years Budget of \$100,000. I'm inclined to go with their bid. Going forward, I believe the asphalt budget will need to be enhanced. No work was done last year due to the high cost of petroleum products and the previous 5 years budgets average far closer to \$200,000 than \$100,000.

Water Cooled AC's

John Moody of All Bay has equipment in stock and is ready to start on the water cooled ac conversions. There are 30 San Franciscan units, 76 Monterey/ Carmel units and 103 Golden Gate units left to complete the FWCM conversion program. These building styles were left due to the extensive work entailed in doing the swap outs. All Bay has done the pilots on these buildings and has come up with layouts that seem to be the most efficient and aesthetically pleasing options. His bid of \$6537.50 per unit comes to \$1,366,337. This work could be done as quickly as within a 2 year window or spread out to meet the Mutuals needs. The pipeline of availability of the units are still in question as are a lot of materials due to Covid issues. Funds would come out of Reserves.

Governance Committee Report

The Governance Committee met on May 29. Members present were: Judith Foley, Dick Locke, and Paul Wright. Mary England attended in her capacity as board liaison.

The Committee asked Mary England whether the Mutual 1 Board expected anything further, at that point, from the Governance Committee regarding the Committee's analysis of the MOD agreement, and were told 'no.'

The Committee also discussed the new-member orientation process and documentation, for which the Committee has agreed to develop a revised/new handout, as well as a revised contact sheet that will be made available to all Mutual 1 members. We agreed to attend Jerry Priebe's next Orientation Meeting for new members, taking place on June 13. (Judith Foley and Paul Wright both attended.)

Mary England agreed to let Mutual 1 members know that the Governance Committee would like to have at least one new member. In response, Jo Anne Lawrence (Golden Rain Road, Entry 3) has volunteered to serve.

The next meeting of the Governance Committee is scheduled for July 25th at 2:00pm in the Vista Room at Hillside.

Capital Projects Report

RFP for Electrical Engineering Study – Mike Sund developed the RFP and the Committee reviewed it.

Earthquake Resiliency Study

- Building and Structural – Led by Roy Yang who met with Dave Peakes.
- Water – Led by Changlin Dillingham

Project Priorities Criteria

- Distributed a set of criteria and sample ballot to group. Need to come to a consensus.

Board should review and approve the Electrical Engineering RFP and send to appropriate consultants.

President's Report

England reported that there was fire on June 14th. Due to the urgency of the responders the fire was put out quickly. Tawaststjerna reported that a turkey flew up onto the lines with its wing span touching wire to wire. The turkey caught on fire and dropped to the ground, causing a fire. Tawaststjerna added that PGE is required to cut the vegetation under the lines for this reason. Tawaststjerna and Peakes met with PGE and will receive a report soon on what areas of vegetation will be cleared.

The next Presidents' Forum is scheduled for June 28th wherein the Insurance Task Force will discuss the fire insurance deductible that will be shared by Mutuals.

New Resident Orientation is scheduled for July 11th at 10:00am at the Event Center in the Donner Room.

Unfinished Business

1. Solar Tubes

Autrey reported the Board asked MOD for a recommendation on how many solar tubes are appropriate for one roof. Peakes said that three solar tubes is the standard throughout Rossmoor.

There have been requests for additional solar tubes by some members. Peakes said three will remain the standard, but each request can be reviewed on a case by case basis.

2. Alteration Roofing

Peakes reported when a member does a rehab to their roof past practice has been that MOD absorbs the costs. Donner reported that the policy change occurred several years ago wherein MOD offered to absorb the cost. The topic was deferred to the Governance Committee to determine if the Alteration Policy should change to reflect that it's the member's financial responsibility.

3. MOD Proposal Cost for Attic Firebreak

Topic was discussed earlier.

4. MOD Proposal Cost for Carport Sprinkler System

Topic was tabled for the next Board meeting.

5. MOD Proposal Cost for Carport Inspection

The Board is waiting for a scope of work from the Inspector.

6. MOD Proposal Cost for Deck Firebreak
Topic was tabled for the next Board meeting.
7. MOD Proposal Cost for Increased Pest Control Contract
Peakes reported the estimate received from another pest control vendor is \$1,200 per day. The Board determined they do not need additional days for pest control.
8. Storm Damage Costs – Prevention Training
Five Star conducted an emergency response on clearing drains. The Mutual has spent \$58,913 on drainage maintenance year to date. The Mutual budgeted \$70,000 for drainage maintenance. Required maintenance was storm related.

England asked MOD if an assessment had been done to determine what, if any, flood mitigation work needs to be done in the future. Tawaststjerna said there are a few larger drains that are required to be cleared out with the first heavy rains. Bright View has a list of the drains and responds quickly to clear the drains. Tawaststjerna recommended that the Capital Projects Committee assess the drain problems and provide feedback and estimates to the Board.

New Business

1. California Flag Display
A member in District 1 offered to: supply a USA flag for the flagpole, upgrade the pole, and have the flag professionally hung.

Motion made by Autrey, seconded by England, to approve the USA flag be hung on District 1's flagpole. Approved by unanimous vote. (5-0)

2. Appointment to vacancy on the FWCM Board
The Board has received volunteers for the position. The Board will interview candidates and make a selection.
3. Appointment to of Committee Candidates on the Board
Motion made by England, seconded by Autrey, to approve JoAnne Lawrence to the Governance Committee. Approved by unanimous vote. (5-0)

Announcements

Copley announced that her manor sold and she resigned from the Board. The Board thanked her for her services to the Board and the Mutual.

A. ADJOURNMENT

Having no further business, the meeting adjourned at 11:36a.m.

Secretary's Certificate

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

Victoria Thomas

Board Services Coordinator