

## MINUTES

### FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, MARCH 26, 2021 AT 10:00 A.M. ZOOM MEETING

President John Moe called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, March 26, 2021 at 10:00 a.m. (Zoom Meeting)

PRESENT:           John Moe, President, District 3  
                  Tom Hansen, 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; Rick Chakoff, Chief Financial Officer; Doug Hughs, Building Maintenance Manager; Rebecca Pollon, Landscape Manager. Anne Paone, Administrative Secretary-excused.

Mr. Moe welcomed the residents in attendance.

#### APPROVAL OF THE CONSENT CALENDAR

The consent calendar consisted of:

February 26, 2021 Regular Session Board Meeting  
February 26, 2021 Executive Session Meeting

Certify compliance with Civil Code #5500.

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

#### RESIDENTS' FORUM

Resident asked why water usage was so much greater than budget.  
Resident asked how special board meetings were noticed.  
Resident asked about board action on the new contract presented by MOD.  
Resident asked about installing security cameras.  
Resident asked for help with diagnosing ongoing plumbing issues.

#### LANDSCAPE REPORT

Landscape Manager, Rebecca Pollon, reviewed her three recommended landscape proposals. From the Reserve Fund: Tree Removal \$13,500

*Mr. Priebat moved to approve \$13,500 from the Reserve Fund. Mr. Hansen seconded and the motion carried without dissent.*

From the Reserve Fund, Renovation of GRR E 16, landscape \$40,600; irrigation, \$17,143.

*Mr. Priebat moved to approve expenditure from the Reserve Fund of \$40,600 for landscape and \$17,143 for irrigation for Golden Rain Road Entry 16 rehab. Ms. Donahue seconded and the motion carried without dissent.*

Mulching from the Operation Fund - Mulching is continuous, but mulch is expensive so it is spread over 4 years. Every entry should get mulch every 4 years. This year it is GRR entries 17 - 29 [do not know if that is even and odd entry numbers] and north side of PK E 2,3,9,7,8 [is what I heard] The cost from the Operation Fund, rehab line of budget, is \$42,000.

*Mr. Hansen moved to approve \$42,000 from the operation fund for 2021 mulching. Ms. Donahue seconded and the motion carried without dissent.*

### LANDSCAPE COMMITTEE REPORT

None

### TREASURER'S REPORT

Treasurer Donahue and the board thanked retiring CFO Chakoff for his advice and wisdom over the years and wished him the best in the next chapter of his life. Joel Lesser was welcomed as the new CFO.

January's financial statement is the most recent financial statement received so far. Treasurer noted that building maintenance is over budget in plumbing and gutter. When asked about the uptick in Accounts Receivables, member assessments (\$107,110 in Dec 2020 and \$130,956 in Jan 2021), CFO Chakoff replied that January tends to tick up as a certain number of residents forget to adjust their coupon payment to the new year's amount. Ms. Donahue noted only a few accounts were large and over 90 days in arrears. She is monitoring them.

### BUDGET & FINANCE COMMITTEE

Chairperson Autrey reported that the committee reviewed the Jan financials and that the expenses were average. Everyone was glad to see insurance finally within budgeted amount. The committee discussed water usage. Water usage tracking, by meter, is done except for October bills which are still being 'chased down'. The committee discussed the Reserve Analysis Report done by Helsing with building manager Doug Hughs. It was explained that the report contains items with 30 years or less life expectancy. Plumbing and water lines are not part of the report because they are generally expected to have a life greater than 30 years. It was asked if once the life expectancy of that infrastructure reaches 30 years, would they be added? Hughs did not know but will research. As plumbing is starting to fail more often, residents are concerned.

### MUTUAL OPERATIONS REPORT

Mr. Hughs noted during the PG&E work to install new underground conduit, Mutual

infrastructure was damaged 4 times. The Mutual had to pay for repair costs as the location of underground pipes, provided to the PG&E crew was inaccurate. Hughs noted that in one instance the construction records showed a water line on the opposite of the street. There have been additional plumbing issues, unrelated to PG&E, such as leaks in slabs and waste line leaks in walls. Carpentry and painting rehab continues on schedule. Building Manager Doug Hughs was asked about the water cooled A/C units still in place. When can they be replaced? Hughs said there were still 194 water cooled units and explained the difficulty of replacing them in the remaining manors. Changing the A/C to freon based requires complete re-piping. Either the pipes are run across roofs, which is not recommended, or the walls need to be opened up to run needed pipes through them from furnace to exterior A/C unit. It is not just expensive, but disruptive to residents. It was asked if the Mutual could require that the change be made when the manor was sold and/or especially if the manor submitted an alteration application for an extensive remodel? There seemed to be agreement that that might be an option and should be investigated.

Mr. Moe asked if heat pumps could be a replacement option instead of replacing the water cooled A/C units. Hughs explained that to switch to heat pumps would result in other infrastructure upgrades such as electricity infrastructure. Hughs said that the original electrical service panels are not equipped to handle that load so new larger service panels could be needed. He also said that with the increased electrical needs, it could be that the main feed from PG&E would have to be upgraded also.

### RECYCLE/COMPOSTING

Mr. Moe reported no change - despite attempts to educate residents, folks still contaminate the recycling and place appliances in the landfill rather than utilizing Rapid Recycle Service.

### PRESIDENT'S REPORT

The forum continued to discuss the new Management Agreement presented to the Mutuals by MOD.

### ORIENTATION – Gerald Priebat

Mr. Priebat reported that the zoom orientation went well, but the attendance was small. He hopes to schedule another in April.

### SOLAR TECH COMMITTEE

Chairman Moderacki reported the committee continues to investigate solar options, with financing that may be available and suitable for First Mutual. The goal is renewable energy at a cost less than or no greater than a resident's present PG&E cost.

### UNFINISHED BUSINESS

None

### NEW BUSINESS

*Ms. Donahue moved to appoint Joel Lesser as assistant treasurer. Mr. Hansen seconded and the motion carried without dissent.*

Mr. Moe asked about the retention fee that sellers are required to leave on account after a sale has closed. Where is that covered in the policy manual? If not in the manual, it was suggested that perhaps it was a board motion long ago, but that it should be part of the policy manual. The board will consider that and also consider raising the present amount of \$1000.

Mr. Moe noted that the board has yet to get the proposed changes to the policy manual due to AB3182, but attorney was working on it.

### ANNOUNCEMENTS

The next regular Board meeting: Friday, April 23, 2021 at 10:00 a.m. (ZOOM Meeting)

Budget & Finance meetings are on the third Thursday of the month.

### ADJOURNMENT

Having no further business, the meeting adjourned at 11:35 a.m.

Submitted by Peggy Kaiser, Secretary



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Anne Paone, Assistant Secretary  
First Walnut Creek Mutual

\*\*\*The Board of Directors met in executive session on February 26, 2021 at 11:05 a.m. to discuss the following:

Member Matter: Discussion of 3<sup>rd</sup> party invoice; Violation-Fine Imposed.

Having no further business, the executive session adjourned at 12:29 p.m.