



FIRST WALNUT CREEK MUTUAL

BOARD OF DIRECTORS REGULAR MEETING

Friday, May 26, 2023 at 10:00 a.m.

Event Center – Donner Room
1021 Stanley Dollar Dr., Walnut Creek, CA 94595

MINUTES

CALL TO ORDER

President England called to the meeting to order at 10:00 a.m.

BOARD MEMBERS PRESENT

Mary A. England, President, District 5
Barry Hirsch, 2nd Vice President, District 3
Jean Autrey, Treasurer, District 1
Elizabeth Copley, Secretary, District 2 *via Teleconference*

BOARD MEMBER ABSENT

Pat Donahue, 1st Vice President, District 4

OTHERS PRESENT

Paul Donner, Mutual Operations Director
Dave Peakes, Building Maintenance Manager
John Tawaststjerna, Landscape Manager
Bud Baxter, Interim Accounting Manager
Anne Paone, Board Services Coordinator
Victoria Thomas, Board Services Coordinator

A. ROLL CALL

Roll call was taken by Thomas.

B. CONSENT CALENDAR

The Consent Calendar consisted of:

- a. Board of Directors Regular Meeting Minutes – May 12, 2023
- b. Board of Directors Executive Session Meeting Minutes – May 12, 2023
- c. Certify Board's compliance with Civil Code Section §5500

*Motion made by Autrey to approve the Consent Calendar as posted. Seconded by Hirsch.
Approved by unanimous vote. (4-0)*

C. MEMEBERS' FORUM

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. Comments included: caretaker continues to bring children to work causing noise disturbances and a request was made for better communication from the Board regarding repairs, etc. to residents.

D. REPORTS

1. Landscape

Tawaststjerna reported on current maintenance being done.

- Weed abatement work has been completed
 - 100 ft from all buildings
- Cutting of ivy off sidewalks
- Irrigation inspections are completed

Tree Maintenance

- Removal permits are being applied for the following list of trees:
 - 3 Monterey Pines Oakmont Entry 1
 - 1 Ginkgo Biloba 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 1

Autrey asked what the average cost was for removing a tree. Tawaststjerna replied that the cost varies dependent upon location, accessibility, and size. Tawaststjerna is currently receiving bids from vendors for tree removals and will present to the Board once he has received all bids. Tawaststjerna informed the Board that some tree removals will be costly due to accessibility.

Don McGregor, Chairperson for the Landscape Committee, was in attendance and reported that the Committee is currently working on procedures and processes for lawn removal. The Committee expressed concerns about landscaping plants, installation of plants, and the amount of plants as funds are limited. The Committee requested planting drought resistant plants when lawns are removed.

The Committee requested the Board not approve landscaping plans without speaking to the Committee first. The Committee requested that initial meetings be with residents, landscape representative, and the Committee Chairperson. The Committee would then present proposed ideas to the Board. The Board reminded McGregor that Tawaststjerna is Rossmoor's Landscape Manager, attends the Committee's meetings, is the one that designs landscaping proposals, and is the one that reports to the Board.

The Board requested McGregor provide a list of priorities and priority projects to the Board and Tawaststjerna.

2. Treasurer

a. Treasurer's Report

Autrey reported that January, February, and March financials are in. The Mutual is running a little ahead of the budget. The budget showed a cost savings with water.

b. Budget and Finance

Ann Prichard was in attendance and reported that its analysis of the "Porter" (Facilities Advisors International LLC) vs. The Helsing Group approaches to

providing the Mutual's reserve study and will present results to the Board as soon as completed:

- Its review and description of the Mutual's property management arrangements
- Looking into recent and unexpected Comcast charges that many Mutual members are experiencing
- Tom Hand, GRF CFO has been added to the Committee's distribution list and we very much look forward to his participating in the meetings.

Prichard reported that major issues were found in the contract with Comcast. She is reviewing the contract with GRF Staff.

Next Committee meeting June 20, 2023 at 3:00 pm via Zoom

3. Mutual Operations

a. General Work

Donner reported that the fire abatement work is completed in First Mutual, but not completed valley wide. The discing tractor is currently working the fire trails up in the hills. Tom Cashion is working with Contra Costa Fire on the shaded fuel brake.

Donner's replacement, Yerone Wright's first day is June 12th.

Peakes reported:

Carpentry/Paint Rehab Work- Since my last report, one of our carpentry crews has finished buildings 1224,1372 and 1388 Rockledge Lane. They are currently working at 1411 Rockledge and will then go on to 1427. The other crew has finished 2425 and 2057 Golden Rain, and are starting on 2009. One of our painting crews is ready to start on 1224 Rockledge once the deck coatings are finished, then follow behind the carpentry crew. The other painting crew is working on 2025 Golden Rain and will then head to 2057.

Fire Building – The electrical meters have been re-installed by PG&E after the exterior panel passed the city of WC inspection. Residents are now navigating their way through the process of getting power restored to their units. Cabinets, countertops, and some appliances are being installed as the painting is winding up. A July 4th completion date is still the target.

Electrical Panels – To date, Gauthier Construction has swapped out 20 of the Zinsco electrical sub panels leaving 60 left to be done on the original list compiled by Pure Electric. The results of the inventory obtained from their annual manori inspections show that approximately 29% of inspected units have original Zinsco sub panels.

1116 Fairlawn – At last month's Board meeting (Friday 4/28) it was brought to our attention that this building had issues with rodents. On Tuesday (5/2) I met with some of the residents, it was determined that unit #7 had excessive activity. I called a vendor who on Friday (5/5) came to look at and assess the building. Up to this point, bait boxes were placed by the crawl space and carports, traps had been set under the building and a good number of penetrations under the building had been sealed. This slowed down the activity in #7 where interior traps caught approximately 6 rats. On Wed. (5/10) the vendor sealed over 30 penetrations under the building (where it was determined the activity was emanating from) and placed multiple bait stations around the building. As of that date, no more evidence of activity (trappings or droppings) was seen in #7. On 5/19 and 5/20 after a week of no activity, unit #7 was cleaned and disinfected, and on 5/22 the carpets were steam cleaned. I have had a couple residents tell me that noises are still being heard in the walls. I have had areas up on

the roof sealed and today (5/26) the attics will be looked at. The activity in this building has reduced significantly and have almost come to a complete halt. The residents have my contact information and I have asked that they get ahold of me if there is anything to report.

Regarding rodents within the Mutual. Hirsch complimented Staff's quick response to assist residents with rodents problems. Donner suggested to lessen the problem with rodents residents should not feed the wildlife; including bird feeders, wood piles attract rodents, take garbage out of manors, and make sure garbage can lids are sealed tight.

4. Governance

The First Mutual Board Governance Committee met with the Board in Executive Session on May 12, 2023 to present its analysis of the Board's current GRF Management Agreement with the MOD.

On May 9, 2023 Marcia McLean announced to the Committee that she would be stepping down. The Committee will now need to recruit a new member.

The next meeting of the Governance Committee is scheduled for May 29, 2023 at 2:00 pm.

5. Capital Projects

Mike Sund reported that the Committee is currently preparing an RFP for an electrical engineering firm engagement to evaluate the Mutuals electrical energy capacity currently and project energy needs for the future. The Committee will present to the Board once the review is complete. The Committee's next meeting is scheduled for June 13, 2023 at 10:00am.

The Committee was asked to present all current working projects to the Board.

6. President's Forum

England reported on the Mutuals' Presidents' Forum:

The Presidents determined they need to look at compliance with California Civil Code regarding accounting deliverables to determine if there is any legal risk and if the Mutual is not in compliance.

The Presidents discussed developing performance metrics with specific deliverable dates, defining expectations, and measuring actual delivery against performance metric. This will be brought to the CFO's attention.

The Presidents discussed data use on Rossmoor's website and MyRossmoor (the new portal). England reported that any personal identifiable information that is input into a portal is gathered by third party vendors and could be potentially sold to other vendors.

Wildfire Resiliency – PGE is removing all weeds 100 feet below power lines. Contra Costa County Fire District received a \$3M grant to do a fuel brake around the rim of the Rossmoor valley, approximately 13 miles long. They are considering bringing in goats to remove the weeds.

The County has an additional grant of \$1.2M for a two-three year fuel brake project. The project may begin late fall.

The Walnut Creek Police Department has a reckless driver letter program. If a resident sees

a reckless driver, record the license plate, call it in to the police department, and they will send the driver a letter.

7. New Residents Orientation

The next scheduled meeting is June 13, 2023 at 10:00am at the Event Center in the Donner Room.

E. UNFINISHED BUSINESS

1. Adoption of Collection Policy

Autrey reported that the Mutual's attorney said the current collection Policy does not meet the state's guidelines for implementing interest penalties. Autrey stated that Civil Code does not require adding interest penalties.

Baxter said that a policy needs to be implemented before the Accounting Department can apply interest if that's the Board's will. He requested the policy be standardized for all the Mutuals to make it easier for the Accounting Department. Autrey requested Tom Hand, CFO, draft a proposed Collection Policy that is standardized for all Mutuals to use and present it to the Board for discussion.

Autrey proposed to table approval of the policy for further discussion.

2. Adoption of Violation and Fining Policy/Schedule of Fines

Autrey reported that the purpose of the policy change is to add an additional possible sanction and schedule the fines to be consistent with California law. The proposed changes are: eliminate sanctions no longer allowed by law and allow fines up to \$100 for first violations and up to \$500 for violation continuance. The topic was sent to the membership and the Board received no comments.

Motion made by Autrey to adopt the Violation and Fining Policy/Schedule of Fines Section 23.0 effective June 1, 2023. Seconded by Hirsch. Approved by unanimous vote. (4-0)

F. NEW BUSINESS

1. Reserve Study

The Helsing Group asked the Board to review and update the Reserve Study and Reserve Study Funding Plan. Helsing recommended steps to take.

Review the funding analysis worksheet and note any changes, components that would be: replaced, restored, or repaired during the past year. England said Peakes and Tawaststjerna are working on this project. Tawaststjerna said that the first draft of the Helsing report is due at the end of June. Tawaststjerna and Peakes will send the Board their recommendations for review before the first draft is due.

Review the funding plan budget assumptions, indicate estimated amount of cash on hand at the last date of fiscal year, indicate the monthly reserve assessment for the current fiscal year. The Accounting Department and Treasurer will work together on this.

Hirsch questioned the repairs scheduled in a Reserve Study and the process when it is required to be done prior to the scheduled date. Donner replied that if a repair is required prior to when it is scheduled for then MOD would adjust the schedule and make the repair(s). The process taken is Peakes would assess the damage with an inspector and have it recommended by the inspector that repairs cannot wait for scheduled time.

Hirsch questioned if MOD is held to the Reserve Study. Donner replied that MOD is not held to the Reserve Study. Adding that the Reserve Study is a funding plan and the Mutual should have generated enough funds to have all repairs done at the end of their useful life.

2. Solar Lights

Peakes reported that a resident requested to install a solar light on the entry sign (Entry 3 Golden Rain Road). He recommended to allow the installation (as ground lights were previously installed and subsequently stolen) stating that it would be a good pilot to determine the effectiveness and life span of the product. If it is determined that this is something that the Mutual would want to invest in, the Mutual would reimburse the resident, if not then nothing has been lost. The resident is willing to purchase and have a handyman install the light.

3. Reimbursement Assessment Hearings

When there are multiple hearings, the Board directed Staff to schedule hearings in four hour increments per day. Hearings are separated in 15 minute increments with the Board deliberating at the end of the meeting. Meetings will be held in person.

4. Rat Infestation and the need for Followup

England recommended reevaluating and if necessary, renegotiate the Pest Control Contract. The current contract allows for two days per week of onsite inspections. The Mutual needs more than two days of coverage. Donner stated that there is not a need for seven days a week and suggested options: keep current company for two days and hire an additional contractor for two more days or hire a new contractor for four days. Donner asked for direction from the Board on how many days they want. It was assumed that four days should be enough. Peakes will research vendors and report back to the Board.

Motion made by England to approve researching vendors for a contract for increased pest control services with pricing and availability within two weeks. Seconded by Hirsch. Approved by unanimous vote. (4-0)

5. Guest Parking Sign

Tice Creek Entry B requested a guest parking sign. Peakes will assess the area and if needed he will create a work order for the sign.

G. ANNOUNCEMENTS

Committee Members were reminded that Board agenda reports are due to the Board President in writing one week, on Friday, before the next meeting.

The next schedule Board of Directors Regular meeting will be held on June 9, 2023 at 10:00am at the Event Center in the Donner Room.

H. ADJOURNMENT

Having no further business, the meeting adjourned at 11:33 a.m.

Secretary's Certificate

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

Victoria Thomas
Board Services Coordinator