

## MINUTES

### FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, FEBRUARY 27, 2015 AT 11:00 A.M. DONNER ROOM – EVENT CENTER

PRESIDENT Ken Anderson called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, February 27, 2015 at 11:00 a.m. in the Donner Room, Event Center, Walnut Creek, California.

PRESENT: Ken Anderson, President, District 4  
Shanti Haydon, First Vice President, District 5  
John Nutley, Second Vice President, District 1  
Barbara Gilbert, Treasurer, District 2  
Nancy Turnier, Secretary, District 3

EXCUSED: None

Staff was represented by Paul Donner, Mutual Operation Director; Doug Hughs, Building Maintenance Manager; Rich Perona, Landscape Manager; Rick Chakoff, Chief Financial Officer, and Anne Paone, Administrative Secretary.

Mr. Anderson welcomed the 23 residents in attendance.

### APPROVAL OF THE MINUTES

Mr. Nutley moved to approve the minutes of the regular session Board meeting of January 23, 2015 as written and reviewed. Ms. Turnier seconded and the motion carried without dissent.

Mr. Nutley moved to approve the minutes of the executive session Board meeting of January 23, 2015 as written and reviewed. Ms. Turnier seconded and the motion carried without dissent.

### LANDSCAPE REPORT

Mr. Perona reported the following:

LAWN MAINTENANCE: Mowing will be weekly as weather permits. Lawns were fertilized the week of February 16<sup>th</sup>. Watering will occur as necessary and the irrigation systems will be tested and adjusted over the next two months.

During the month of March all turf areas will be treated for crabgrass control and also aerated.

ENTRY MAINTENANCE: Detail crews are working on spraying for weeds in shrub beds and edging groundcovers. Pruning will include Oleanders, Hypericum, Viburnum and Eleagnus. The crew will continue leaf and debris clean up out of shrub beds.

**TREE MAINTENANCE:** The crew completed the pruning of Crape Myrtle trees. We have received permits from the City to remove a dead Monterey Pine at the end of Rockledge Lane entry 8 and two Monterey Pines on the Oakmont Drive slope.

**LANDSCAPE REHAB:** Recommending approval of the landscape project for Oakmont Drive in the amount of \$38,943.00.

Discuss the turf conversion project for Tice Creek entry B in conjunction with SWCM.

Mr. Perona asked the Board to consider a motion to approve his plan for installing landscaping on the north side of Oakmont Drive, from Oakmont entry 9 to entry 14. The cost would be \$38,943 and the money would come from the reserve account.

*Ms. Gilbert motioned to accept Mr. Perona's proposal as presented for Oakmont Drive landscaping with a cost of \$38,943 coming from the reserve fund. Ms. Haydon seconded and the motion carried without dissent.*

Mr. Perona discussed Tice Creek between entries "AA & B". The proposal is to remove all of the turf areas, keep a small strip along the Tice Creek sidewalk, which will have minimal drought tolerant landscape with low flow bubblers. He would like to put in a pathway with a 6' to 8' planting area. He would also like to place some benches. SWCM owns about one third of the property. Mr. Unitan is going to call the Rotary Club and Lions Club to solicit donations. The cost to FWCM will be \$23,000 and the Mutual will get back \$9,500 from EBMUD in the form of credit on the water bill.

Mr. Perona would like the Board to discuss this proposal for approval at their March meeting.

Mr. Perona reported that EBMUD's 2-day watering schedule will continue for now.

The problem of the private garden on Golden Rain has been resolved. It has been cleaned up and needs to be replanted to Mutual standards.

Ms. Turnier reminded the membership that they can't put up structures that are against the Mutual policies and the city codes.

Mr. Perona reported that the issue on Pine Knoll, entry 6 will cost \$1,339 to clean up. The owner will be charged back this amount.

## RESIDENTS' FORUM

Jerry Priebat reported that he discovered that when the new trash and recycling containers are placed side-by-side in a G-11 building, there is not much room to move around. If they are placed at right angles, they fit much better.

Judy Foley, Golden Rain Rd. - Ms. Foley reported that there are drainage problems, bubbling in the toilet. It happens at least 3 times a year. Mr. Hughs will research the problem to see if the line may have root growth. Some buildings are on a maintenance schedule, so that building may be placed on the schedule, too.

Mary England, Fairlawn Ct. – Ms. England reported that she was the chair of the FWCM Trust Agreement Committee. The comments of her committee were not reviewed by the Board in a public forum. She suggested that the Board reconvene her committee or simply not approve the revised or restated Trust Agreement.

Mr. Anderson reported that some Mutuals will not approve it if the 100% approval is not changed and some say it must have 100% approval of the Mutuals.

The Board will schedule a discussion of the trust for their next meeting.

Mr. Anderson wanted to congratulate Mary England on an excellent presentation at the Presidents' Forum regarding CERT and what will be done for emergency response.

Charges to Funds: Mr. Donner reported that there is an operating budget and a reserve budget. The operating budget is for day-to-day routine services. There is \$948,667 budgeted for ground's maintenance, which is the contract with Valley Crest. This is a set bill that comes in every month. There is \$115,000 budgeted for tree maintenance. This is for Valley Crest to come through and do building clearance and structural pruning for safety. There is \$5,000 in landscape miscellaneous, which is for items outside of the contract. Items such as buying chemicals and spraying of the olive trees as needed. There is \$125,000 in landscape rehab. The total is divided by districts. The district landscape reps then have some money available for requests to remove dead shrubs or to address complaints that their area doesn't look nice. There is \$10,000 budgeted for materials such as color rotations. Those are rotated twice each year. There is \$80,000 budgeted for pest control such as skunks, raccoons, birds, ants, mice, etc.

On the reserve side of the budget, there is \$40,000 for fire abatement work, which would include major tree or brush removal and cleaning up areas such as open spaces. There is \$122,320 budgeted for landscape rehab such as major projects. Historically anything over \$5,000 is brought to the Board for approval. Under \$5,000 may be approved by the president and treasurer. They sign for the transfer of funds. MOD has never once gone over the budget.

Ms. Gilbert reported that the issue that Sheryl Almon brought up at the last board meeting regarding the procedures for the spending of money has been resolved. The Mutual is following the Davis-Stirling guidelines.

Mr. Chakoff reported that any reserve expenditure needs to be signed by two officers.

Mr. Chakoff may sign as the assistant treasurer.

Under \$5,000 must be signed by 2 officers. Anything over \$5,000 requires that the Board vote on it. This is the Board's procedure, not Davis-Stirling.

## TREASURERS REPORT

Ms. Gilbert reported that the Budget & Finance Committee meets every other month.

Ms. Almon is out-of-town. There is no report.

Mr. Anderson reminded the membership that there are two vacancies on the committee. If anyone is interested, please contact the Board or the committee.

Mr. Chakoff reported that January is not indicative of the year. The operating fund is \$86,000 under budget. Landscape is \$13,000 under budget. Utilities are \$50,000 under budget. Insurance is \$20,000 under budget and will remain a surplus if no shared deductible events occur.

## MUTUAL OPERATIONS REPORT

Mr. Hughs reported the following:

CARPENTRY-Carpentry crews are currently working on 2200 Golden Rain Road, entry 15.

PAINTING-Painters will be starting on 2232 Golden Rain Road, entry 15 next Monday.

ROOFING- We conducted a roofing bid walk on January 14<sup>th</sup> with our three prime roofing contractors. The detailed numbers have been submitted to the Board of Directors in our memo dated February 19<sup>th</sup>. As stated in that memo we are seeking approval for three separate contractors to perform the work on 33 laundry rooms and five residential buildings. The total price of the work is \$370,176.00. Our roofing budget for 2015 is \$550,000. The work would be broken up between the three roofing contractors as follows; \$133,152.00 to State Roofing, \$143,264.00 to Excel Roofing and \$93,760 to Frank Fiala Roofing. We are requesting Board approval for these three contracts.

*Ms. Turnier motioned to approve the bids from State Roofing, Excel Roofing and Frank Fiala Roofing. Ms. Gilbert seconded and the motion carried without dissent.*

PAINT COMMITTEE-We would like to appoint Rhoda Shore, a resident of FWCM, as a member of our paint committee. She will work with staff and the building residents in deciding which buildings get painted which color scheme. She will also assist staff with any other paint related issues as needed.

The Board appointed Rhoda Shore as liaison to the paint Committee. She will help decide on colors for each building. There are six color schemes.

## PRESIDENT'S REPORT

Mr. Anderson reported that during the January forum, there was a discussion regarding the golf cart policy and the possibility of registration. Mary England made an excellent presentation for the EPO. The Trust Agreement was discussed. Two Mutuals disagree of the document, if they change the percentage of approval. Currently, 100% is required. Some Mutuals will never approve of the agreement unless it remains 100%. There was some discussion on people getting in with obsolete barcodes. It was noted that they cannot be admitted without a current, active barcode.

The presidents met for an hour and then they met with the GRF staff for another two hours.

The issue of the standing Comcast agreement was discussed. It seems that AT&T or Comcast are the only ones that can afford to provide the necessary infrastructure to provide service. They are studying Dish or Satellite service, too. The Comcast contract expires at the end of 2016.

On March 24<sup>th</sup>, Hughes, Gill, and Cochrane will present the legal seminar on updates for Davis-Stirling.

Mr. Anderson reported that he asked GRF staff if there are any plans to install vehicle charging stations. GRF said there are no plans.

ORIENTATION – Jerry Priebat

Mr. Priebat reported that March 10<sup>th</sup> is the next orientation in the Donner Room at the Event Center. Everyone is welcome to attend.

POLICIES/BYLAWS – Ken Anderson

Mr. Anderson reported that the policies are in the process of being printed and will be mailed out soon. He commended Sue Adams for getting the policies done.

Nancy Turnier of District 3 reported that there are handouts on the table. She will deliver sheets to everyone's door in the district.

NEW BUSINESS

None

ANNOUNCEMENT

The next regular Board meeting: Friday, March 27, 2015 at 11:00 a.m. in the Donner Room at the Event Center.

ADJOURNMENT

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

/s/

\_\_\_\_\_  
Nancy Turnier, Secretary  
First Walnut Creek Mutual