

SECOND WALNUT CREEK MUTUAL**BOARD OF DIRECTORS REGULAR MEETING****Thursday, July 17, 2025, at 10:00 a.m.****Meeting is Conducted In-Person and Virtually****Peacock Hall / Gateway Plaza****1001 Golden Rain Road, Walnut Creek, CA 94595****MINUTES*****Call to Order**

President Bruce called the meeting to order at 10:03 a.m.

Roll Call of Directors

Lon Bruce – President
Michele Colucci – Vice President
Vona Scott – Treasurer
Bob Kelso – Secretary
Marv Ryken – Director

Mutual Operations Staff

Jeroen Wright – Director of Mutual Operations
Todd Arterburn – Chief Financial Officer
Eric Howard – Building Maintenance Manager
John Tawaststjerna – Landscape Manager via zoom
Lisa Kam – Interim Board Services Coordinator

Approval of Minutes

Regular Board Meeting Minutes – June 12, 2025

Minutes deferred, not ready

President's Report – Lon Bruce

Honor Barbara El-Baroudi

Lon Bruce in lieu of my presidents report, I am very excited today to honor Barbara El Baroudi who has on Mutual 2 board of directors for 22 consecutive years we are very grateful to her service. She has held all positions except treasurer; many times, her colleagues appointed her president. In 1999 two second mutual directors asked Barbara to join the board. Barbara doesn't know why she agreed. It wasn't anything that was on her mind, they kind of talked her into it, but she is glad they did. Between 1999 and 2021, Barbara was the epitome of a good board member. She worked tirelessly, led with wisdom, integrity and kindness. She made sure that the actions taken were right, proper, and in the best interests of our community. One of Barbara's proudest achievements was we had circumstances, sometimes there's a fire in a unit or there's earth movement, she spearheaded taking out loans for unusually large expenditures which saved the residents from having special assessments. During her entire tenure on the board, there was never a special assessment of our

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membership and that's quite an accomplishment. Barbara's also pleased that in 2020 she and her colleagues completed the first overhaul of our bylaws from the 1960's when Mutual 2 was first incorporated. We thank you for that. It is my understanding that Barbara is leaving the community to move with family. We want to wish you well in your new adventure in your new life. We are going to have a plaque on one of our new landscape benches that have just been put in on Tice Creek Drive. It will be recognizing your service. We also have a certificate of appreciation proudly present to Barbara El Baroudi for 22 years of service to Second Walnut Creek Mutual Board of Directors. We are pleased to dedicate a bench on Tice Cree Dive in honor of your service. Thank you. Barbara wanted to say thank you. Again, nothing I had planned on, but it turned out to be one of the most interesting and a chance to do a lot of good. We had a lot of good boards every time and I served with a lot of them. Two things I am most proud of 1) we were never audited; 2) we worked hard on the laundry rooms. The laundry rooms are very important for a certain percentage of our population. It is a lot of work, but we kept them going. It has been a wonderful time and I'm very grateful.

Operations Manager's Report – *Jeroen Wright*

Wright reported Firewise doing well. Great turn out of volunteers, filled seats quickly. Anyone not chosen, we will need volunteers in the future. The contract portion of the Management Agreement has been finalized. It should be out with the mutual attorneys to be finalized. The appendices are also 99.9% complete. We are looking at some things we may be able to standardize from mutual to mutual to help efficiencies with RPM. We are moving into the budget season, Eric working closely with FAI on the reserve study, providing the information necessary. Lastly, if there is anything a member has a question on, please don't hesitate to reach out to either me or Todd. We are here to help. My email is jwright@rossmoor.com.

Chief Financial Officer – *Todd Arterburn*

Todd reported we are in the middle of finalizing and closing out our old system, Jenark, we have finished the audits. We will have clean financials, bring all the balances into NetSuite. We are also adding Workday as budget forecasting system. Financials are coming out today. Marv had inquired about backup/security. Todd replied yes, our data is protected, moving to a cloud-based environment has better protection. Las Vegas is one of our storage facilities in terms of where we maintain secure backup data, so if things go down, we backup protocols in terms of where our data is stored so we don't lose anything. I can do a cyber security presentation at a future board meeting.

Treasurer's Reports – *Vona Scott*

Vona reported on May financial statement which are getting more and more populated. As more and more reports come online, we are getting better information. Hoping for the balance sheet soon. As you heard last month, we are still significantly under budget. We are \$717,000 under budget in operating expenses and \$763,000 under in reserve expenses. That's almost \$1.5 million, but as you heard last month, this is really due to timing issues between budget and actual presentation of expenses. Because this is only through May and most of the landscaping, painting, roofing and rebuilding of bridges, new air conditioning units, come in during the summer and fall months. One of the reports that was detailed this month is the delinquency report. Now that we have good data, we are going to be starting collections again from those folks that are seriously delinquent, and those numbers will start to come down. The delinquencies have been going up for a while because we

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couldn't get the data to start the collection process. Now that we have that, we will begin tackling that. We will start by contacting the people that have had large balances for a while. Our reports weren't good, so nothing was started. We have received the final 2023 review report from the cpas. It has been posted on the Mutual 2 website, and it will be sent out to the residents along with 2022 and 2024, which is not yet finished. I expect to see a draft by the end of the month or mid- August. Once finalized, those will all be sent to residents via mail and posted to the website. In June, we did pay the construction costs for 1217 Running Springs that was fire-damaged. It was \$223,000 but we had \$190,000 insurance payment so the net cash was \$30,000. The SharePoint site continues to have issues. Todd reported that Casey will be sending out a new link this week. Interest income in operating is over budget by \$28,000, not sure what interest rates will be going. Manor inspections are under budget by \$31,000, again a timing difference. Insurance we are under budget through May for \$636,000, we got a great rate from our insurance, we are going to do our best to save this money and reduce next year's coupon. Utilities is under budget by \$116,000 because of our volunteer committees and the folks at MOD that are working hard on our behalf. In reserves we are over budget in interest income by \$86,000 for a total of \$120,000 in interest income over budget and we did, for the first time, actually budget interest income in trying to reduce the budget for 2025. Facilities maintenance was over budget by \$38,000 because we had a lot of stabilization work done this year, even with the rain, the total is under budget by \$497,000. Public works is under budget by \$136,000 and this is the category for things like drainage repairs, concrete, paving, and taring of streets. *You can find all this information on www.m2rossmoor.com, under governance and then under financials.*

Building Maintenance Manager's Report – Eric Howard

Building Rehab Work-Our SWCM Carpentry crew is currently rehabbing buildings on Entry 7 Singingwood Ct. The painters are following behind them painting buildings rehabbed on Entry 6 Singingwood Ct.

Water-Cooled Air-Conditioning Conversion- Freemans Heating and air conditioning is currently holding off on A/C conversions during the hot summer months. A/C conversions will resume during the cooler weather in the fall.

Entry Bridge Replacements- Gauthiers construction has started foundation work on 3 new building entry bridges. The new bridges being constructed are located at 1125 SW, 2724 TC and 2740 TC.

1333 Running Springs Foundation Repairs-The 2nd phase of the project repairing the interior walls, doors and windows is ongoing and is 70% complete.

Re-Roofing 2856 Tice Creek- State Roofing has completed the re- roofing project 2856 Tice Creek.

Annual Inspections- Our annual inspections are underway Technicians will be knocking on doors to do the inspections and will be checking the smoke detectors, carbon monoxide detectors, changing furnace filters, inspecting furnaces, inspecting A/Cs and cleaning refrigerator coils if needed.

3248 TC Soil Movement- A soils engineer is currently working with the City of Walnut Creek to review what type of foundation repairs have been installed on the deck and building in the past. This

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is to ensure the new foundation stabilization work being designed doesn't interfere with any pre-existing concrete work not visible underground.

Re-Piping 1301 Ptarmigan- I am currently in the process of coordinating bid proposals to replace the aging galvanized water lines at 1301 Ptarmigan Dr.

Zinsco Panel Replacement- AMAC has been awarded the contract to replace 41 interior Zinsco panels. Work will be scheduled after permits have been filed with the City of Walnut Creek.

PROPOSALS FOR APPROVAL

None at this time

Michelle is asking about Permit status. Eric working with Marv. Marv has made an excel spreadsheet, 42 manors needing 22 permits, Eric to confirm. We save money if we pull Walnut Creek permits ourselves. One of the owners of AMAC is willing to go down to Walnut Creek with Marv to assist with the process, just need to coordinate.

Marv not happy with the work that Cintas is doing on the fire extinguishers, they are doing something that I don't like. Can we tell them what we prefer or direct them on what we prefer? They are using nylon ties that I have seen fall off within a year and then the wind blows the cover off and breaks. I have used an 8" nylon tie and leave a 3-inch loop so you can pull the bottom off and then the top comes off without the tabs breaking. Also, some of the containers have spider webs, twigs, etc. Eric confirmed that it is not part of their contract to clean. Eric, we can discuss off line.

Vona asked Eric the status of finding an inspector to do the balconies. Eric confirmed the contract has been signed, he is just waiting to schedule actual dates for the inspections. Hopefully in the next month of two. We should have an answer before we need to start thinking about the budget.

10. Landscape Manager's Report – John Tawaststjerna / Jesus Morales

John T informational items - plant replacement article in the Rossmoor News, any resident can submit a plant replacement request by August 15, 2025. We collect all those right now. We are putting them on a spreadsheet and then Jesus will review, make recommendations to the Landscape Committee of what exactly we are going to put in at each location. There are some rules, you can either go on the website or send a message to plantreplacement@rossmoor.com. They will get an automatic reply with those rules. I encourage residents to do that. Landscape maintenance that Terra is doing at this time of year. They are mostly focusing on the tip pruning of the azaleas and the deadheading of the rhododendrons. Throughout the summer they will be working on weed removal. Tree maintenance, we completed pruning on Tice Creek entries 1-5. We will then be moving to Tice Creek entries 6-17. Pruning is for building clearance, dead wooding trees over walkways, pathways. The RPM rehab crew has been mulching like crazy the past few weeks and I think tomorrow they will be done with all Tice Creek entries.

Michelle heard a rumor that all liquid amber trees are being cut down? John confirmed we are not cutting down a tree unless there is a reason. We do a lot of pruning on them, but we are not going around and removing all of the liquid ambers. Michelle also heard you have permits to remove 2 pine

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trees on Canyonwood Court. When is that happening? John stated there is one Canary Island Pine and one Monterey Pine that will come down sometime in August. If the cost is more than \$5,000 I will bring it in front of the board.

Committee Reports

Water and Conservation Committee Report – *Therese Welter*
SWCM July 17, 2025, Water Conservation Report

The 11 Water bills from EBMUD through June 2025 show some improvement in usage compared to June 2024. The year-to-date (YTD) usage as of June is 845,772 gallons, representing a 3% decrease. This continues a slight downward trend from May, when usage was down 1% YTD.

2 meters in SWCM are using significantly LESS water (20%)

Meter 205686 Entries 2,4,6 Fairlawn and RS north side of the street is **down 20%** using less than 1,005,313 gallons YTD than last year!!!!1

Meter 205700 Entries 11 and 12 A,B on Tice Creek are **down 20%**, with usage under 468,996 gallons year-to-date. This likely reflects last year's repaired pipe leak, but it's a positive outcome.

3 meters that are using significantly MORE water than last year (13% to 23%)

Meter 205697 Entries 2 and 4 on Canyonwood and PT 2 are using **13%** more, trending down from 19% last month.

Meter 205698 Entries 1,3 6 bldg. 1300 and Singingwood 2,4,6 is using **13%** more trending down from 16% last month

Meter 205706 Entries 5,8,9,11 Canyonwood and PT 4,5 is using 23% more trending down from 30% last month

The remaining meters are using 1 to 6% more or less than last year, which is considered normal and are also trending down from last month YTD.

So, if this was Report Card time, I would give us a C+. Meter 205706 is still using 23% more water than last year, but that's down from a 30% increase last month.

I have been recently made aware that we have more empty units than we have had in the past. Many owners have moved, and the unit is empty. When the unit is on the market but not selling, water may be running as sellers sometimes test water pressure by flushing toilets or turning on taps. If you live nearby, report any running water you hear. Some water meters show water running 24 hours a day on the EBMUD web site. Is there any way we can have empty units where people are not living checked periodically? I would like the Board to check into this.

For more detailed info on water meters and ways to save water, go to the SWCM website at M2rossmoor.com and scroll down to the Water Conservation Committee and get more information.

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Bob Kelso asked Therse to talk with her committee and come up with a possible plan to notify entries where the water use was unusually high and come back at the next meeting to discuss the plan.

Trash Committee – Kathleen Eperson

Kathleen E. trash committee supports honoring Barbara El B today, she was our first board liaison when we started in April 2021. She was a friendly listener at our trash committee meeting and very supportive of our efforts. Thank you. In the first half of this year, we were only charged \$77.37 for extra trash, 74 of our 85 trash enclosures had no extra charges. A huge part of this success is because of at least 120 official or anonymous volunteers who worked with neighbors on sorting correctly. We were billed for overages at least ten times more in the past 6 months. When asked to see photos we discovered we were being billed for enclosures in other mutuals. Thanks to Lisa Lankford at RPM, Republic Services has refunded us \$345.86. The biggest problem continues to be residents moving out and/or their families fail to realize our trash is not for one person's use, they are shared, sometimes by many. There was an article in the Rossmoor news, May 21 issue, by Mike Woods, "Dumping has a price". People moving out have three options: 1) They can move excess dump debris out of Rossmoor, 2) Hire a trash hauler, 3) Or with mutual approval, they can order an extra dumpster for their own use. Please contact me if you want to order your own dumpster. If we can prove the mutual occurred overage charges because an owner left or moved out debris in the trash enclosure, our directors can arrange to have monies withheld from that owner's escrow account. Another problem, volunteers are still finding bags of recyclable and plastic bags in recycling plus plastic bags in our green carts. It is critical that all plastic bags are put in landfills. Plastic bags left and recycled jam up expensive sorting equipment. Plastic bags in green carts do not compost. Everything in recycling needs to be loose, they don't have time to sort the contents of a bag. Please make sure shredded paper is securely bagged and put in landfill, yes landfill. While shredded paper can be recycled, anything in a bag goes to landfill. Our choices are to take it to a paper shredding facility or take advantage of Rossmoor's paper shredding days. Our handout for neighbors moving in/out or remodeling and posted on trash enclosures has been revised. You get updated information by going to M2Rossmoor.com website or email me. I am currently working with trash talk leaders to update recycling information for Rossmoor's phone book. Bob Kelso asked if there is anything we can do to improve signage etc. Kathleen said when they paint the buildings, they take down the signs. Bob asked Kathleen to have the volunteers take note of what is missing and the board will get it replaced.

Finance & Insurance Committee – Vona Scott

No report

Landscape Committee – Tieka Romanoff

The Landscape Committee would like to remind Mutual 2 residents that it is time to request plant replacements for their entry. Residents should send their request to plantreplacement@rossmoor.com Please specify the location, include pictures if possible. Not all requests will be approved depending on location and conditions such as existing irrigation. Residents can request a certain plant, but the final selection will be up to MOD. All requests must be submitted by August 15. Plant replacements will be done between October 2025 & March 2026

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I am happy to report on the two benches on entry D Tice Creek have been installed. We would like to request two plaques be installed. The first plaque to honor Barbara El-Beroudi who served on the Mutual 2 board for 21 years and has done so much for our community. The second plaque to honor Neva Flaherty who served as the Landscape Chair until last year. Neva spearheaded many landscape projects and is responsible for much of Mutual 2's beauty.

Infrastructure Committee – Kevin Moore

No report

Welcome Committee – Susan Haigh Bishop

The next social gathering will be on September 4 in the Fireside Room at Gateway Plaza at 4pm. Please RSVP with Susan Haigh-Bishop at haighbishop@gmail.com so the committee can plan the refreshments.

Architectural Review Committee – Lon Bruce

No report.

Contracts, Grants, and Rebates Committee – Vona Scott

No report.

Neighbors for Safer Streets Committee – Lynn Carruthers

The presentation given today by Robyn and Keith Rudolph is Flags for Walkers. We invite residents with walkers to come to the Rossmoor Library on July 22, 29 and August 5 & 12 from 10:00am - 12:00pm and we will attach a removable clip that will hold an orange safety flag. The clip will allow the residents to easily raise and lower the flag as needed. Safety flags will also be provided. Please note this is experimental and while I cannot guarantee it will work for every walker, we will do our best to accommodate your walker. The cost is \$10-\$20 that covers the cost of the clip, flag and a portion will go towards the cost of October's second annual Pedestrian Safety Awareness Month.

Old Business

Discuss units that have old Zinsco panels that are being remodeled. Should the remodeler be required to replace it?

Open discussion on Zinsco units being remodeled. Action items, when a unit is being remodeled and there is an existing Zinsco panel can the board mandate homeowners or flippers who are remodeling units or remove and replace the Zinsco panels? We would have to define what remodeling is, is there a dollar limit? What about someone who is moving out, should they be required to update the panel? Our current panels do not meet code, but have been grandfathered in. When manors are sold, should they be required to update the panel.

So are you saying anytime you must pull a WC permit, you will also need to upgrade your panel? Would that be for any permit or just an electrical permit?

We need to discuss with the architectural committee that at some point need to set exact parameters for this. Table for future action.

Specify that plumbing remodels would require updating to copper piping. Plumbing remodels alterations to copper piping. Eric, we have some pipes that run through neighbors units, no one is

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going to pay for their neighbor's work. If someone is opening up all their walls they will either go with copper or Pex. If someone is opening just part of their wall, they may just go with Pex. It is much easier to run Pex (flexible vinyl piping). Jeroen commented this is something we can discuss with Bill Parsons in alterations. It is something you will need to speak with your legal counsel on and change your governing documents to be able to enforce this. Table for future action.

New Business

Annual inspections follow-up.

Michelle asked about door hangers on vacant and part time units. They don't get inspected. Maybe a toilet is leaking and we don't know about it. Is there a system or a way that you have to follow-up on those that never responded to the door hangers All smoke detectors use a 9 volt battery that lasts 1-2 years. They will start beeping and when the resident calls in, we point out they missed their appointment. Netsuite will be able to red flag when someone hasn't been inspected and keep track of manors we haven't had access to.

Discuss having junk clean outs of the laundry rooms.

Unwanted items - Discussion on junk removal from laundry rooms. Old books, chairs, ironing boards. Start removing items. Maybe one of Marv's committees can help us with this problem. What is the best way to approach the problem? Bob suggested having people who use the laundry rooms make the decisions about what goes and what stays. The committees can take on the project and work with people in the entry to decide what should go. I would hate to go in without and remove things without the involvement of those in the entry. Bob stated our entry has purchased items for our laundry room. Post something on the bulletin board inside the laundry room, contact us. Bob thinks the committee can help us decide how to proceed.

Discuss schedule for the refurbishment of laundry rooms.

They have not been refurbished in a long time. From the Formica countertops, paint, flooring, there is no set schedule. It is time to set up a schedule. Tell Eric what we want done. It's a multi-year project, some items are more critical than others. Use the same committee to evaluate the condition of the laundry rooms come with a list. There are 51 laundry rooms currently being used.

Discussed having the laundry room dryer vents cleaned out.

Eric said the dryer vents are cleaned out annually.

Follow-up on the laundry room cleaning and the outdoor clothesline area cleaning responsibility. Outdoor enclosures with a clothesline. Who is responsible for maintaining the cleanliness, landscaping or our cleaning vendor? Eric said it is landscape, the vendor does the inside not outside. Ask John T to make sure the landscape people blow out.

Discussion about sending a letter to our current vendor who is doing the laundry room cleaning. Some are being cleaned once a month. Lon said he wasn't clear on who was writing the letter. I am not convinced once a month is sufficient. Jeroen said the letter had not been sent.

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Members' Forum

Member lives on Canyonwood, Entry 10 when is the timeline on painting her area. Eric said it will be done in 2026 at the end of summer, probably August/September.

Resident on Fairlawn, thankful and grateful for everyone. Starting on Monday next week, in her Golden Gate unit Freeman called to schedule the air conditioner replacement. Eric said that with the cooler weather Freeman's is continuing with the replacement program .

Announcements

Board Meeting: The next scheduled Board meeting will be a Regular Session Meeting to be held on Thursday, August 21, 2025, at 10:00 a.m. in the Peacock Hall at the Gateway Plaza.

SWCM Social Event: The next scheduled social event is scheduled for September 4th, Fireside Room, Gateway at 4:00 pm

Adjournment

There being no further business, the board of Directors Regular Meeting was adjourned at 11:40 a.m.

Board Services Coordinator

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

Lisa Kam