

MINUTES

SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, MARCH 17, 2022 AT 10:00 A.M. ZOOM and PEACOCK HALL

President Clay Dunning called to order the regular meeting of the Board of Directors of Second Walnut Creek Mutual at 10:00 a.m. on Thursday, March 17, 2022 via Zoom and Peacock Hall.

ROLL CALL: Present: Clay Dunning, President
Michael Stotter, Vice President
Liz Bradner, Treasurer
Brendan Schmidt, Secretary
Loran Shlevin, Director

Absent: None

Mutual Operations staff was represented by: Paul Donner, Director of Mutual Operations; Joel Lesser, Chief Financial Officer; and Anne Paone, Administrative Secretary. Mark Marlatte, Building Maintenance Manager - Excused.

There were 14 residents in attendance in person and 31 residents on Zoom

The consent calendar consisted of:

- a. Approval of Minutes: Regular Meeting: February 17, 2022
Executive Meeting: February 17, 2022

Mr. Stotter moved to approve the consent calendar as presented. Ms. Bradner seconded and the motion carried.

A voice vote was taken. All Board voted aye.

MOD REPORTS

Building and Maintenance:

2022 PREVENTITIVE MAINTENANCE AND RESERVE PROJECTS

1. Carpentry and Painting Maintenance
 - Carpentry PM and Painting is on Leisure Lane entry 5 and building fire wall separations in attics on ptarmigan Drive and Tice Creek Drive entry 6.
2. Roofing Program
 - Eight roofs out to bid to A-1 Construction, Fiala Roofing and State Roofing Systems. Lowest Bid was \$316,705.00 by State Roofing System. Mr. Donner recommended State Roofing.
3. Bridge and stair Replacements
 - None at this time.

4. Deck Coating
 - Scheduling as required in P.M. area and as needed.
5. Appliance Replacements
 - Appliance replacements to date are. (Not posted yet.) Mr. Donner stated YTD amount is \$51,759, with \$27,000 for water heaters, \$13,000 for furnaces, and \$6,500 for refrigerators
6. Roof and Gutter Cleaning
 - Please call the order desk for roofs or downspouts that need to be cleaned.
7. Manor Lube
 - Manor Lube program is ongoing throughout the Mutual.
Mr. Donner reported they are scheduled for the last week of March.

Ms. Shlevin had some questions. Mr. Donner stated that State Roofing has excellent quality and a good reputation in Rossmoor. This is a reserve expense. Duro-Last can last 15 years on the flat roofs.

*Mr. Dunning moved to approve the bid from Sate Roofing in the amount of \$316,705.
Mr. Stotter seconded and the motion carried without dissent.*

Infrastructure: Mr. Donner reported that Ms. Bradner will discuss water-cooled A/C. They have finished the carport on Tice Creek and it will go through insurance. A car caught on fire. No cause was listed in the official report regarding why it caught on fire. The Mutual has a duty to rebuild the carports.

Mr. Schmidt mentioned failing retaining walls. Mr. Donner will follow-up.

LANDSCAPE

Mr. Donner reported that John Tawaststjerna has been hired as the landscape manager. He worked with BrightView. He ran their operations in Rossmoor. His specialty is water conservation. He starts work on March 23, 2022.

The maintenance crews are working on trimming the ivy and other plants/bushes. Rehab is doing mulching. This helps to retain water and moisture. It also reduces the use of chemicals. Rossmoor has its own mulching blend. We have an in-house pest control.

Chris is the new pest control person.

The position that was vacated by Sharon Fees has been filled. Her name is Kris Peterson and she started yesterday. She comes from Common Interest Management. Her email is: kpeterson@rossmoor.com.

TREASURER'S REPORT – Joel Lesser/Liz Bradner

Ms. Bradner reported that it is disappointing that there is not a report later than December 31, 2021. The accounting department is understaffed. They should consider hiring a second Tess Haskett position.

Mr. Lesser reported that he has published a schedule for closing of statements. Two hires have started. The department is processing year ends and doing audits. The February financials will be ready on April 22, March will be on April 29, April will be on May 27, and May will be on June 16.

Ms. Shlevin reported that the Board is supposed to review financials monthly, per Davis-Stirling.

Mr. Dunning reminded Ms. Shlevin that Joel and Liz review them.

Resales:

Ms. Bradner reported that she did not receive a report on resales.

COMMITTEE REPORTS

Landscape – Marilyn Schuyler

Ms. Schuyler presented a report as follows:

1. Landscape Update
 - January/February - plant replacements, several drainage projects and irrigation
 - March - June - begin annual mulching to install approx 500 yards of mulch covering 1/3 of the Mutual. This year mulch will be applied to all of the Tice Creek entries
 - July-August - Juniper removals and irrigation projects
 - September - December - landscape projects and plant replacements
 - End of year - drains
2. Juniper Removals and Replanting - 1st phase of juniper removals is complete. Now these areas are being revisited and analyzed for replacement plantings.
3. The Landscape Committee is recommending that replanting be started now, that the replanting be performed by the landscape techs dedicated to the SWCM and that plant materials be purchased through the plant replacement program
4. The Landscape Committee is assessing existing percentage of acreage of landscaping in the SWCM including turf, shrubs, trees, ground cover and open space.
5. The Landscape Committee will be submitting recommendations for transitioning to low water use landscape focused on converting lawn reductions to low water use shrubs and ground cover
6. The recommendations will include trading large expanses of lawn to useful parks.
7. The Landscape Committee is conducting quarterly landscape maintenance assessments in each landscape zone and will be conducting on-site reviews with Terra landscape
8. The Landscape Committee is starting work on developing minimum landscape standards for the SWCM - reviewing similar efforts and discussions with experts
9. The Co-chairs will be meeting with Paul Donner and the new Landscape Manager to discuss proposed landscape projects which have been prioritized by the Landscape Committee.
- 9- Residents are encouraged to contact the Work Order desk and contact their landscape zone representative regarding landscape issues.

Trash – Kathleen Epperson, Chair

In 2021, Second Mutual paid \$12,763 in extra charges (mostly for trash overages) to Republic Services. (This does not include the extra we paid for Republic's billing mistakes.) Fortunately, we stopped those billing mistakes! And thanks to our 64 dedicated trash volunteers, we are incurring less trash overages in 2022.

Our extra charges should have been much higher, but many Republic drivers were overlooking the trash we have been putting in recycle containers. That is changing. Starting this year, drivers refused to empty recycle containers three times. Each time this happens, Second Mutual pays an additional \$40 to \$72.42 (depending on the size of the container). These charges increase our coupon.

In an effort to make residents aware of this problem, I wrote "Beware of yellow tags in trash enclosures," which was published in Rossmoor News last week.

We request to upgrade two 1-yarder dumpsters to 2-yarders. Two entries continue to incur

landfill overages, despite the effort by residents to deal with overflow and clean up huge raccoon messes.

The 1-yarder in Canyonwood Entry 7 would be big enough, except residents from other entries also use it. Some contractors also target it for illegal dumping. Several residents suggested installing a camera. Unfortunately, who would monitor it?

The added cost to upgrade a 1-yard landfill dumpster to a 2-yarder will be about \$1,255 a year. (This is an estimate because we don't yet have Republic's new rate increase.) In 2021, Second Mutual paid \$926.85 for overages for Canyonwood Entry 7, so the added cost would be about \$328.

Last year, Running Springs Entry 2 incurred \$575 in extra charges. The charges would have been about the same as the cost to upgrade, but Carol Hummel has weekly repositioned packages, packing the landfill container as if it was a trunk so more will fit in. and removing the overflow. This week she wrote, "Once again... I removed four small bags, two large bags of trash and six long pieces of Styrofoam and repositioned them... Tomorrow Entry 2 will be overflowing again... I am tired of handling this on a regular basis."

We recommend upgrading the 1-yard, landfill dumpsters in Canyonwood Entry 7 and Running Springs Entry 2 to 2-yarders.

Mr. Dunning reported that the Board will consider the committee's recommendations.

Water – Nathan Roundy, Chair

Nathan reported that water is a major expense. Air conditioners are cooled by water. This is a big cost coming in at approximately \$350,00+. Toilets also use a lot of water.

Susan Steele reported that the Board approved a pilot program to replace toilets. They had 17 requests. Fourteen are using more water. Seven meet the criteria. The quote for labor per toilet is \$150.00. They need to find the right person.

Ms. Shlevin asked who pays if there are any issues with the toilets or the floor around them. Ms. Bradner stated the residents would agree to maintain them because everyone maintains their own toilets. The new toilet must fit the old space. Mr. Dunning stated that savings on water will pay for the installation.

Mr. Schmidt stated that MOD can install the toilets. Mr. Donner confirmed that MOD can do so.

Ms. Bradner reported the Water Conservation Committee has developed an option to replace water-cooled air conditioners with air-cooled unit which has an estimated payback period of 4.6 years. This was derived at by dividing the extra cost, \$360,036 in 2022-2023 of cooling the 484 units we have by 484 which give a per unit cost per year of \$743.87. Dividing that extra cost per year into the bid price of a single new air-cooled unit, \$3,450 gives the payback of 4.6 years. The Water Committee has investigated two other options: increasing the temperature of the water outflow of existing units by 10 degrees and secondly, installing cooling towers. Nathan will report on those options which we do not have firm cost figures for yet.

Mr. Schmidt stated that decreased water flow through units would save 50% of costs. There are considerations if not using water anymore. No more water for golf course and this might impact the stream regarding ecology.

Solar – Eric Cox

Dan Davis reported due to Mr. Cox not able to attend this meeting. The cost for electricity for the common area is \$100,000 per year. The committee would like to see this reduced by installing solar. The bill should be less and the system would be owned in 10 years. There are 2 interested vendors. They are looking at using carports and possibly a few roofs of some buildings. Rood Solar could provide savings if they can get individuals to use as part of a group. Shares Solar: PG&E sked that the old ruled be done away with. The site was chosen for a shared solar group. An application is at PG&E. The Mutual

needs to change their Bylaws so they can place solar on roofs that are not theirs. Mr. Dunning reported that the policy has not been approved. Mr. Davis said individuals would need insurance. NEM (Net Energy Metering) might change, but it doesn't appear imminent.

Mr. Davis' email is: dbdavis@gmail.com and his telephone number is: 202.369.0890.

PRESIDENT'S REPORT

No report.

UNFINISHED BUSINESS

Liaison to Landscape Committee:

Mr. Dunning moved to appoint himself as liaison to the Landscape Committee. Mr. Stotter seconded and the motion carried without dissent.

Charter for Carport, Parking, and Electric Vehicle Charging Committee:

*Mr. Dunning moved to approve and to adopt the charter for the committee with the changes as follows: The Statement of Purpose paragraph should delete the word "inspect" from the first sentence and include the word **courtesy** to "post notices." Ms. Bradner seconded and the motion carried 3-1 (Shlevin) with Ms. Bradner abstaining.*

Replacement of Electric Sub Panels: Tabled to April meeting.

Amendment of Policy 10.3: Ms. Bradner stated that BBQs should be 10 ft. from combustibles. The fire code says to use a 1 pound propane tank. The policy should be changed to include the fire code.

Ms. Bradley moved to send the policy out to the membership. Mr. Dunning seconded and the motion carried without dissent.

SWCM Evaluation, Inspection, and Planning Committee:

Ms. Bradner moved to adopt the charter for the EPIC (Evaluation and Planning of Infrastructure) Committee. Mr. Schmidt seconded and the motion carried without dissent.

Ms. Shlevin moved to appoint herself as the liaison to EPIC. Mr. Schmidt seconded and the motion carried without dissent.

Ms. Shlevin moved to appoint Shan Boggs and Marv Ryken as co-chairs of EPIC. Ms. Bradner seconded and the motion carried without dissent.

Ms. Shlevin announced that Larry Layne, Steve Adza, and Abha Gupta have volunteered to serve on the committee.

NEW BUSINESS

Transfer of Funds:

Mr. Dunning moved to approve the resolution of the Second Walnut Creek Mutual Board of Directors authorizing specific transfers of funds and appointing a committee of the Board with Mr. Dunning and Ms. Bradner as signatories. Ms. Bradner seconded and the motion carried 4-1 (Shlevin)

Discussion-Increase of Board Members: Tabled for future agenda.

Budget, Finance, Reserve Study Committee:

Ms. Shlevin moved to form a Budget, Finance, Reserve Study Committee. No

second. Motion failed.

Mr. Schmidt asked Ms. Shlevin to prepare a presentation on exactly what the committee would do.

Technology and Communications Committee including Website Development:

Ms. Shlevin moved to form a Technology and Communications Committee and to draft a charter. This was tabled for a future agenda.

Proposed Revision of Collections Policy:

Ms. Bradner reported that the attorney recommends the Mutual continue with the present policy. Violator is called to a Hearing, can discuss a payment plan, and Board can consider terminating membership. They can continue with the process under the Occupancy Agreement. This is not considered debts in the traditional sense.

RESIDENTS' FORUM

Resident would like a meeting to understand how Mutual finances work.

Resident has drainage issue. Mr. Stotter will be in touch with her.

Resident states she is good with money and would love to be on a committee. Finance or Landscape.

Resident would like to be on a Finance Committee or an insurance committee.

ANNOUNCEMENTS

Mr. Dunning read the announcements as listed on the agenda.

ADJOURNMENT

Having no further business, the Board adjourned the meeting at 12:46 p.m.



Anne Paone, Assistant Secretary
Second Walnut Creek Mutual

***The Board of Directors met in executive session on January 20, 2022 at 1:00 p.m. to discuss the following:

1. Member Matters – Various
2. Legal – Process to sell manor

Having no further business, the executive session adjourned at 2:45 p.m.

***The Board of Directors met in executive session on February 17, 2022 at 1:45 p.m. to discuss the following:

3. Member Matters – Various

Having no further business, the executive session adjourned at 3:05 p.m.