

## MINUTES

### SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, SEPTEMBER 14, 2021 AT 10:00 A.M. ZOOM

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, September 14, 2021 via Zoom.

ROLL CALL: Present: Clay Dunning, President  
Michael Stotter, Vice President  
Liz Bradner, Treasurer/Secretary  
Barbara El-Baroudi, Director  
Brendan Schmidt, Director

Absent: None

Mutual Operations staff was represented by: Mark Marlatte, Building Maintenance Manager; Rebecca Pollon, Landscape Manager; and Anne Paone, Administrative Secretary.

Paul Donner, Director of Mutual Operations; and Joel Lesser, Chief Financial Officer were excused.

There were 22 residents in attendance.

The consent calendar consisted of:

- a. Approval of Minutes: Regular Meeting: August 19, 2021  
Executive Meeting: August 12 and September 1, 2021

*Mr. Stotter moved to approve the consent calendar as presented. Mr. Schmidt seconded and the motion carried without dissent.*

### RESIDENTS' FORUM

Resident commented on the posting of agendas.

Resident thanked the Board for changing the meeting date due to the Jewish holiday. She had a concern about landscaping with bushes being removed and not replaced. She asked the Board to consider this when planning the budget for 2022.

Resident asked if the Board knew why TWCM decided not to move forward with solar.

### MOD REPORTS

Mark Marlatte read the following report:

#### **2021 PREVENTITIVE MAINTENANCE AND RESERVE PROJECTS**

##### **1. Carpentry and Painting Maintenance**

- Carpentry PM and Painting is on Leisure Lane entries 7 and 9.

2. **Roofing Program**

- Ten buildings are complete.

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 for the month of August (Not posted yet.)

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.

8. **Paving**

- Entries 5, 6, 8, 9 & 10 Running Springs Road completed August 15 - 18.

LANDSCAPE

Ms. Pollon gave the following report:

**SEPTEMBER PROGRESS REPORT**

-**Tice Creek entry 6** renovation is nearing completion.

-MOD crews have mostly completed the **first phase of juniper removal within 30' of buildings**. We will need to analyze remaining juniper removals for Phase II and assess how to move forward, as these are likely to affect residents greatly in terms of privacy loss.

**WHY ARE WE REMOVING JUNIPER?** The decisions to remove junipers is not taken lightly, and we understand how jarring this can be. Fire departments recommend that we remove 'highly combustible' plants, a category into which juniper falls, within 30' of buildings. Currently that is a recommendation, but in the near future, this likely to become law. In addition, insurance rates continue to rise, and insurers take into consideration the prevalence of 'combustible material' when evaluating risk and therefore price.

-The now fully functional Landscape Committee and Landscape Manager recently met and discussed small projects which have been collected and prioritized by the Committee. Prices have been provided and the Committee may wish to discuss these projects at this meeting or a future meeting.

There are a lot of Junipers on the back of the building on Tice Creek. We are working on removing them and will go back and revisit how to beautify the area.

TREASURER'S REPORT – Joel Lesser/Liz Bradner

Ms. Bradner reported that as of July 31, the ending balance in the operating fund was \$703,908 and the reserve fund balance was \$843,672. The Mutual is pursuing four delinquencies.

Ms. Bradner gave the resale report. There were 6 sales in August with a median price of \$326,000 and YTD there were 87 sales with a median price of \$375,000.

## COMMITTEE REPORTS

### Landscape – Bob Hass

Mr. Dunning reported that James “Doc” King resigned as the co-chair. Marilyn Schuyler will step up as a co-chair.

*Mr. Dunning moved to approve Marilyn Schuyler as the co-chair. Ms. Bradner seconded and the motion carried without dissent.*

This committee was created as an ad hoc committee.

*Mr. Dunning moved to change the committee to a standing committee. Ms. Bradner seconded and the motion carried without dissent.*

Mr. Hass reported that Ms. Pollon gave them proposals. The committee is reviewing them and will give their feedback to the Board. The committee has split each zone into 2. They visited the juniper removal sites. They have a copy of the Terra Landscape contract and will review it. Mr. Dunning has requested that they get proposals from multiple contractors. Ms. Pollon reported that they will need an amount so the Board can factor it in to the budget for 2022.

### Trash – Kathleen Epperson, Chair

Ms. Epperson reported that the Second Mutual Trash Committee saved the mutual over \$8,000 between April 30 and July 31. And we should have another credit on the invoice for August 31 (which we have not yet received).

Over \$6,000 is credit for billing mistakes (like our paying for four 1-yard dumpsters when an entry only has one 2-yarder) which we caught when we analyzed Republic's invoices. \$55 is for reversed overage charges. Plus, our invoice total for June 30 is \$506 less than the total for May 31. July 31 is \$1764 less than our invoice total for June 30.

Because of fantastic work by our 47 trash volunteers in 44 enclosures of Second Mutual's 82 enclosures, we reduced the number of landfill overage charges which Second Mutual has been paying. On this last invoice, only four entries had landfill overages: Leisure Lane Entry 8, Running Springs Entry 7, Singingwood Entry 6, and Tice Creek Entry 6.

We also have tremendous support from Carol Weed of Sustainable Rossmoor's Trash Talkers; our wonderful MOD staff, especially Lisa Langford; and our hardworking contacts at Republic Services, especially Kimberly Lam and the drivers who pick up our trash.

We end with a question asked by Sally Noble, a trash volunteer, “When a resident dies, does the mutual send out a letter to the heirs about Second Mutual policies?” A great question, but we doubt Second Mutual is currently set up to do this.

### Water – Nathan Roundy, Chair

Ms. Bradner reported that the committee did not meet last Saturday. They are considering asking the Board to hire a water engineer for the air conditioning problem. They are promoting conversions to low-flow toilets. Mr. Dunning stated that he supports this. He is meeting with the bank to see about getting financing to help residents switch to low-flow toilets.

### Solar – Eric Cox

Mr. Schmidt reported that Mr. Cox met with Johnson Controls. He is getting information for feasibility. Mr. Dunning reported that the Mutual has disengaged from Table Rock. Johnson Controls is the better approach. They will do a feasibility study at no cost. They

have toured the property. The Board and the committee are not giving up on solar for the Mutual.

### PRESIDENT'S REPORT

No report.

### UNFINISHED BUSINESS

a. Carport and Parking Committee-Charter

Mr. Dunning reported that a charter had been developed for this committee. It will be a standing committee.

*Mr. Dunning moved to amend the charter to reflect this as a standing vs ad hoc committee. Mr. Stotter seconded and the motion carried without dissent.*

*Mr. Dunning moved to appoint Betty Price as chair of the Carport and parking Committee. Ms. El-Baroudi seconded and the motion carried without dissent.*

b. Rental Policy

Mr. Dunning reported that the policy has been amended by the attorney. Ms. Bradner reported there were 2 changes. One change is the rental cap which will now be at least 25% for 347 units and the other change is that the minimum lease term is now at least 31 days or more. Mr. Dunning reported there is no cap on how many rentals you may have during the course of ownership.

*Ms. Brander moved to approve sending the proposed policy to the members for the 28-day comment period. Mr. Stotter seconded and the motion carried without dissent.*

### NEW BUSINESS

a. Legal Services Engagement Agreement

Mr. Dunning reported that the Board has reviewed the retention agreement form legal counsel.

*Mr. Dunning moved to accept the legal retention agreement from Hughes, Gill, Cochrane, Tinetti, PC. Ms. Bradner seconded and the motion carried without dissent.*

b. Authorize GRF to install Evacuation Signs

*Mr. Schmidt moved to approve having GRF install evacuation signs on SWCM property. Mr. Stotter seconded and the motion carried without dissent.*

c. Board Secretary

Mr. Dunning explained that Ms. Bradner has been doing two jobs on the Board as the Treasurer and the Secretary. Ms. Bradner will remain as the Treasurer.

*Mr. Dunning moved to appoint Ms. El-Baroudi as the Board Secretary and Ms. Bradner to remain as the Treasurer. Mr. Stotter seconded and the motion carried without dissent.*

### ANNOUNCEMENTS

Mr. Dunning read the announcements as listed on the agenda. Mr. Stotter reminded everyone that the Annual Meeting will begin at 9:30 a.m., not 10:00 a.m. as was on the agenda for this meeting.

ADJOURNMENT

Having no further business, the Board adjourned the meeting at 10:59 a.m.



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Anne Paone, Assistant Secretary  
Second Walnut Creek Mutual

\*\*The Board of Directors met in executive session on August 12, 2021 at 10:00 a.m. in MPR #1 to discuss the following:

Member Matters – Fine imposed

Having no further business, the executive session adjourned at 11:15 a.m.

\*\*The Board of Directors met in executive session on September 1, 2021 at 2:15 p.m. via ZOOM to discuss the following:

Delinquencies – Memberships terminated.

Having no further business, the executive session adjourned at 2:54 p.m.