

WALNUT CREEK MUTUAL NO. TWENTY-NINE

QUARTERLY MEETING MINUTES OF THE BOARD MONDAY, SEPTEMBER 19th, 2022, AT 9:30 A.M. ZOOM MEETING

Call to Order

President Giessner called the meeting to order at 9:30 am.

Roll Call

Directors Present: Richard Giessner, President
Beth Gannon, Vice President
Mike McLaughlin, Treasurer
Tanc Agius, Secretary
Sheila MacDonell, Director

Also Present: Paul Donner, Mutual Operations Director; Rick West, Building Maintenance Manager; John Tawaststjerna, Landscape Manager and Lucy Limon, Board Services Coordinator.

Approval of Meeting Minutes

President Giessner asked if there were any additions or corrections to the following minutes:

- a. Quarterly Meeting Minutes held on June 20th, 2022
- b. Special Meeting Minutes held on August 11th, 2022

The minutes of the aforementioned meeting were approved with a motion
Moved, Seconded, Carried 5-0

President's Report: Richard Giessner

President Giessner gave the following report:

Transitions:

We lost several members recently.

Dee Knowland

Tim Wise

Donna Jurgans

Welcome to our new members:

Mary Wells

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Susan Orrett

Mr. & Mrs Lehman

Kevin Lynch

I want to start by thanking our residents for their efforts in controlling the operational cost of our Mutual. Our hardworking Landscape committee, through lawn reduction and shrub selection, have helped lower our use of Water. There have been no trash pick up penalties and we have successfully switched to the black garbage bins saving even more money. Thank you Tanc and the trash committee. We have even saved money on postage cost with the Email list created by our communication committee. Our Maintenance helps not by just changing the light bulbs, but has done work that we could not afford to have done. Painting the curb was not in our budget, but it got done, thanks to many hours of very hard work by Dana.

MOD has stepped up to the plate by refunding money from their savings. With the savings mentioned above and MOD refund we are able to start the flat roofing projects this year. The estimated roofing costs have risen dramatically and should have started in 2018. The # of roofs to be done annually will be reevaluated each year. We hope to have them completed by 2028.

The board received the first draft of our budget on the 9th and will not have our meeting with MOD until after the 24th. But the forecast is not good. Total insurance costs have risen 67%. MOD costs are increasing 5% across the spreadsheet. Though we are using less water, EBMUD has tacked on a drought surcharge of \$700/month. Our treasurer Mike McLaughlin will give more details in his report. Our elevated landing inspection is still the big unknown. The inspections will be done over the next 2 years. We beefed up the carpentry budget to \$40,000 for repairs. If the inspector finds significant structural damage we will be required to do immediate repairs, no matter what the cost.

And that brings us to the GRF refund. As of now we have not received it. We have inquired how it would be distributed if we choose to do so. The deciding factor will be the elevated landing inspections.

Progress is happening. The landscape and signage proposals discussed in our Aug meeting have begun. The materials for the two flat roofs have been ordered. We think our Insurance bill will be paid without having to borrow from the reserves.

Where you can help. Please avoid driving onto the sidewalk. The cost of grinding or replacing sections has doubled. Please do not feed the wildlife. No seeded bird feeders, leftovers go in the compost and not the lawn or outdoor table tops. We have the Green compost cans

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cleaned monthly. We put signs out on the Wednesday before the Thursday cleaning saying DO NOT USE. This means DO NOT USE.

The turnout at our recent events has been fantastic. Let's keep it up. 4:00 p.m. October 5th at Norton park, Art & Wine festival. Sheila will give the details in her report.

Financial Report: Mike McLaughlin

Mike McLaughlin gave the following report:

Mutual 29 Financial Report September 19th, 2022 (Expenditures through July)

There are no major issues in the current operating budget at this point. We have a savings of just under \$10,000 in the operating budget. However, most of the savings are in water usage, which will catch up with the increased watering over the warm months and the 6.5% increase in the water rate beginning in July.

As mentioned last meeting, we are not seeing the large savings in trash pickup of the past two years because we lowered the budget to reflect these savings and passed the savings on in the coupon. However, we still have saved just about \$500 in trash pickup, which shows that residents continue to improve their recycling and composting.

The operations budget also received a payment of \$43,176 from MOD, which reflects the Mutual's share of the savings achieved by MOD in 2021. This payment improves the operating fund cash position, which stands at just over \$147,000. This cash level means that the Mutual will likely again not need to borrow from the reserve fund to pay our annual insurance bill in January.

Though only about \$80,000 of the reserve fund budget of \$317,000 has been billed to the reserve fund through July, we are expecting \$153,500 in billing for the last phase of the tile roofing project. We also will pay \$15,565 for the contract to inspect our elevated landings and balconies, as well as an unknown amount for any repairs called for by the inspector. On the plus side, we have not had significant plumbing, water supply, or sewer leaks, with a current savings of over \$20,000. Barring major problems, we believe we will end the year with a reserve surplus.

There is a significant issue facing the Mutual regarding the next major project - the flat portion of the roofs. The Mutual is required by law to conduct an annual reserve study. Like many others in Rossmoor, we have contracted with Helsing. The board began to see potential problems with the reserve study in recent years. For example, while the report stated that though some components exceeded the useful life, the report listed a remaining life of one or more years. We have recently learned that the Helsing policy is not to show a negative number of remaining years of life, even if the useful life has been exceeded.

Two buildings with flat roofs that were near or past their useful life have had leaks. The

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Board is seeking to accelerate the schedule of roof replacement beyond that recommended by Helsing. Helsing recommends beginning the project in two years and completing it over a seven-year period. This would put many roofs past their useful life.

During our review of this issue, we discovered another, more significant problem with the Helsing study numbers. The study also lists a projected cost for future projects. The Helsing projected costs for the flat roofs are inconsistent and very low. They range from \$9.00 to \$12.00 per square foot. The most recent bid we have received is \$13.18 per square foot. The Helsing study projects a total cost for the roofing project of \$550,000. Using the most recent bid amount, we believe the true cost of the project to be \$810,000, without inflation. In other words, the Helsing study underestimates the cost to the Mutual by over a quarter of a million dollars.

The Board is looking at options to address this problem. We want to remain proactive and transparent about our options. We are heartened by the refund of the MOD surplus payment and the upcoming GRF surplus payment.

- a. **Compliance with Civil Code 5500:** A motion was made that the Mutual is compliance with Civil Code 5500 by review of the July 31st, 2022, Financial reports by two members of the Board.
Moved, Seconded, Carried 5-0

Building Maintenance Report: Rick West and Richard Giessner

Rick West gave the following report:

INFORMATION ITEMS: Work scheduled, In Progress or Complete

Tile to Composition Roofing Project

1. **The final phase for your roofing project is scheduled for 2022. Phase V will complete the last 6.**

Santa Clara Buildings.

Phase V - Estimated Cost \$150,000.00.

Project has been completed.

2. **Phase I - 2022 DuroLast Roofing Project. This project is to replace all of the flat portions of the building roofs. Phase One will include Buildings #3152 and #3160. Two additional buildings will need to be resealed so that they will remain watertight until they have had their DuroLast replaced. These are Building #2608 and #2648. Phase I will go out to bid in 2022. The Project is scheduled to be completed 6 phases and will be completed in 2027. The 2022 budget for Phase I is \$50,000.00.**

The Board to Ratify the contract with Fiala Roofing Cost \$42,218.00

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3. Phase I -SB326 Raised Component Inspections. Contractor: FWC Structural Engineering.

Phase I Cost \$15,656.00. 2022 & Phase II scheduled for 2023 cost \$16,450.00.

Mutual 29 Balcony Inspections will be completed on Monday Sept. 26th and Tuesday Sept. 27th.

Landscape Report: Wini Biehl

Wini Biehl gave the following report:

Since the last mutual meeting we have had 2 meetings of the landscape committee. We finalized plans for the renovation of area behind 3152/3160 with John T and shared those plans with those residents. The project will be done in 2 stages: grass, shrub removal, decomposed granite surface installed starting Sept 12, plant installation done mid-November. Cooler weather better plant survival with less irrigation.

Warner tree service trimmed a large limb from a Monterey pine on Ptarmigan and will be coming back to trim limbs from a stone pine adjacent to 3136, and trim limbs from pine located at end of the Cos Garden.

We have had numerous calls to MOD concerning irrigation. We have had numerous calls concerning regular maintenance: we are working with Terra for more consistent lawn, shrub, cleaning care.

Considering the recent very hot weather, we are still looking pretty good. We lost 1 cherry tree near 2724, stressed October glory maple at 2672 and stressed red maple at 3120.

Future plans will be to meet with John T, walk the mutual, look for problems and plan future growth.

John Tawaststjerna gave the following report:

M29 Landscape Report

Maintenance Report

- Clearing of v-ditches and drainage systems
- Fertilization of trees, shrubs, and ground covers
- Pruning of overgrown shrubs

Plant Replacements

- Landscape representatives are creating plant replacement lists
- Deadline has been extended Oct 1st
- If you have a replacement, please submit a request to plantreplacement@rossmoor.com

MOD Days

- MOD crew will finish preliminary work for lawn removal project at 3152 & 3160 today 9/19/2022

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- Next MOD days will be 11/16 to 11/18
 - Planting at 3152 & 3160 will happen at this time
 - Any plant replacements will also occur at this time

Trash Committee Report: Tanc Agius

No report was given.

Communications Committee Report: Sheila MacDonell

Sheila MacDonell gave the following report:

Our next event will be a wine and cheese in Norton Park on Wednesday October 5th. We plan to have residents show their artwork, collections and memorabilia. The response has not been good. We do have a few but we are really hoping for more of you to volunteer. Some of you must have some beautiful photographs you have taken, collections or pottery, or artwork you have created. Please if you do, we will help you set up and help you take them down and promise it will be done with the upmost care. Email Judy Szilagyi if you have something to display at judys@hotmail.com. She will love to hear from you. Also, the Newsletter committee had a meeting discussing the next issue. We need people to volunteer to write a story of interest. Please contact Tanc Agius or me, Sheila MacDonell if you have something you would like to share. This does not mean you are committed to a story for every issue but if you can, we would love to have you contribute something. The Social Committee will meet this October to discuss our next Social in May or June. Let me know if you have any ideas, you think would be fun.

Emergency Preparedness: Susan Codeglia

Susan Codeglia gave the following report:

On June 14, 2022, Susan Codeglia agreed to take over from Mike McLaughlin the role of Mutual 29's Emergency Preparedness Coordinator.

On July 7, 2022, Mutual 29's revised, annual Emergency Preparedness Resident Questionnaire was distributed to all residents. So far 50 of them have been returned. Susan will be typing up a new spreadsheet to include emergency contact info for each resident and emailing the spreadsheet to Mutual 29 Board members.

On August 24, 2022, Susan Codeglia, our new EP Coordinator, gave an emergency preparedness presentation in Norton Park to 55 Mutual 29 residents. Cold lemonade and cookies were served. Topics discussed included YOYO (You're On Your Own), smart phone alerts, evacuation zones, early self-evacuation, preparedness supplies, go-bags, food & water storage, house fires and fire blankets, and taking smart phone videos of the contents of your home.

Mutual 29 purchased a case of Blue Can water (50-year shelf life) which Susan displayed on a table. She gave one can to each of our volunteer EP Zone & Manor Captains as a thank you for their service. The remaining cans were given away to those who could answer emergency preparedness trivia questions. She also displayed the \$10 kitchen fire blanket she

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bought on Amazon and suggested residents purchase one for their kitchen.

At her presentation, Susan also gave a 2-page handout of preparedness tips which was well-received. In addition to the topics above that she discussed, the handout also included tips on cell phone chargers, battery flashlights & lanterns, hand-crank/battery radios, first aid kits, pet safety, earthquakes and CERT training. A Q&A followed her presentation and residents asked good questions.

Susan's future plans include a fire extinguisher demonstration and sale; having Rossmore EPO & CERT do a presentation to our residents; scheduling earthquake drills; getting a few volunteers to purchase FRS radios; getting a resident with a ham radio license; discussing front door evacuation notices, pet safety, police scanners, and cleaning out and refurbishing Mutual 29's cache and preparing an inventory sheet.

New Business

- a. **Terra's proposal for blowing out carports:** An email notice will be sent to all members with information regarding the dates and times of the carport blowouts.
- b. **Mutual wide hazardous/electronics waste collection:** Residents will be advised with a date and time via newsletter.

Old Business

- a. **Durolast roof replacement cost and schedule:** A motion was made to approve the roof replacement contract at a cost of \$39,218.
Moved, Seconded, Carried 5-0

Resident's Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives. Comments included the number of participants at the Board meeting and late fees.

Next Board Meeting

The next scheduled Quarterly Board meeting is scheduled for Monday, December 19th, 2022, at 9:30am, via zoom.

Adjournment

President Giessner adjourned the quarterly meeting at 10:31 a.m.

Executive Meeting

The Board met in an executive session to discuss delinquent accounts, surplus amount, and insurance from 10:32am to 11:24am.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.

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Lucy Limon

Assistant Secretary