

SECOND WALNUT CREEK MUTUAL

BOARD OF DIRECTORS REGULAR MEETING

**Thursday, September 18, 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 10:01 a.m.

Roll Call of Directors

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

Directors Absent

Marv Ryken – Director

RPM Staff

Jeroen Wright – Director of Mutual Operations
Todd Arterburn – Chief Financial Officer
Eric Howard – Building Maintenance Manager
John Tawaststjerna – Landscape Manager
Lisa Kam – Administrative Services Manager
Janneth Lujan- Board Services Coordinator

Approval of Minutes

- a. Approve Board of Directors Special Meeting Minutes – August 29, 2025
Bruce motioned; Kelso seconded. Motion passes (4-0)

- b. Approve Board of Directors Regular Meeting Minutes – August 21, 2025
Bruce motioned; Colucci seconded. Motion passes (4-0)

President's Report – Lon Bruce

President Bruce shared that SWCM is in the middle of an election cycle, the ballots will be sent by Pro -Elections, sent out today. Three Board seats and Four candidates. Bruce advised residents not to forget to sign the envelope. Ballots will be counted at the Annual Meeting October 21, 2025, at 9:00 a.m.

Operations Manager's Report – Jeroen Wright

Wright shared that the management agreement negotiations are nearing completion, with comments due soon and revisions to be presented at the September President's Forum.

Chief Financial Officer – Todd Arterburn

Arterburn reported progress on the financial systems including the implementation of NetSuite and Workday Adaptive for budgeting, with plans to go live with Field Service Management on October 1, 2025.

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Treasurer's Reports – *Vona Scott*

Scott reviewed the July financials, which showed an operating budget underspend of \$814,000 and a \$1.891 million underspend on reserves, largely due to timing issues with the old budget system. The board discussed delinquency collections, with Scott reporting successful progress in collecting over \$60,000 from accounts in the 45–60-day range. The reserve account is currently ahead of projections for 2025 additions, though final numbers for 2025-2026 will depend on upcoming assessments.

Building Maintenance Manager's Report – *Eric Howard*

2025 PREVENTITIVE MAINTENANCE AND RESERVE PROJECTS

Building Rehab Work-Our SWCM Carpentry crew is currently working on rehabbing 1361 Singingwood and has completed 70% of the 30 scheduled buildings and carports to be rehabbed this year. The painters are following behind the carpentry crew and are working on 1332 Singingwood.

Water-Cooled Air-Conditioning Conversion- Freemans Heating and air conditioning is currently working on converting the water-cooled A/Cs at 2524 Running Springs Ct. As of today, they have completed the installation of 377 units out of the 468 units scheduled to be replaced.

Entry Bridge Replacements- Gauthiers construction is currently working on installing the concrete foundations for the 3 new entry walkway bridges. The new bridges being constructed are located on the front entries at 1125 SW, 2724 TC and 2740TC.

Pressure Regulator- A large water pressure regulator was replaced on an 8-inch waterline servicing 7 entries and 154 manors on Tice Creek and Ptarmigan Drive. The original 57-year-old regulator was failing causing it to no longer hold a constant and steady amount of water pressure.

Annual Inspections- The annual inspections of the HVAC units, water heaters, smoke and carbon monoxide detectors are underway, and to date, we have completed 758 inspections totaling 55% of the manors within mutual 2.

Landscape Manager's Report – *John Tawaststjerna / Jesus Morales*

- Fertilization of shrubs and trees
- Clearing of v-ditches and drains of leaf debris

Tree Maintenance

- Tice Creek Entries 6-17
 - o Completed

Tree Removal Bids

- Fairlawn Entry 2 (Approved)
 - o 1 Redwood
 - Hamilton - \$16,600
 - Waraner - \$15,000

Kelso motioned to approve the Tree Removal Bid from Hamilton for \$16,600; Bruce seconded. Motion passes (4-0)

- Canyonwood Entry 8 (Approved)
 - o Canary Island Pine
 - Hamilton - \$5,600

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Kelso motioned to approve the Hamilton Bid for the Canary Island Pine in the amount for \$5,600; Bruce seconded. Motion passes (4-0)

- Monterey Pine
 - Hamilton - \$6,700

Kelso motioned to approve the Hamilton Bid for Monterey Pine in the amount of \$6,700; Bruce seconded. Motion passes (4-0)

- Leisure Lane Entry 3 (Approved)
 - Sequoia
 - Hamilton - \$5,600

Colucci motioned to approve the Hamilton Bid for Leisure Lane Entry 3 in the amount of \$5,600; Bruce seconded. Motion passes (4-0)

Committee Reports

- a. Water and Conservation Committee Report – *Therese Welter*
Therese Welter Committee Chair reported the following:

Water usage for August 2025 was down 4,452,843 gallons (20%) from August 2024. The biggest drops came from three meters where water-cooled air conditioners were replaced due to their high-water consumption. For details on your meter, visit M2rossmoor.com and check the Water Conservation section.

From January to August, total usage in 2025 was 10,760,495 gallons lower than in 2024—a 17% reduction. Billing comparisons show \$67,214 savings year-to-date. Cooler weather and replacing old, water-cooled AC units contributed to these improvements, though some losses from pipe breaks persist. Currently the cooler weather this year with less water use is masking any obvious meter problems.

Last month, one EBMUD meter bill showed a significant increase, with a charge of \$114,540 compared to \$24,875 the previous year. I notified Eric Howard and John Tawaststjerna who notified Rossmoor Controller Amanda Davis, who then contacted East Bay Municipal Utility District. After investigation, it was determined that the issue stemmed from the meter providing incorrect data to EBMUD's billing system. The bill was adjusted, crediting the entire \$114,540 and issuing a revised bill for \$41,406 for two months—a difference of \$73,133. The matter was resolved through quick and professional coordination among all parties involved.

To summarize the savings of water and costs since 2023, replacing water-cooled air conditioners has led to significant reductions in both water use and costs. Usage at the three meters decreased by 41%, compared to 2022 and saving 14,912,126 gallons of water. Billing for these meters dropped by \$114,403 between 2022 and 2025 year-to-date, even accounting for an 8% annual increase or 24% rate increase since 2022.

September bills will be released next week. Due to warmer weather, higher water use is expected, but we have built a solid foundation. SWCM, the Landscaping Committee, and Rossmoor Landscaping are reducing water consumption by replacing lawns, using satellite moisture sensors, and encouraging residents to report issues early. These measures help manage water costs. For more details, see the Rossmoor 5-year plan at rossmoor.com under Residents/Landscaping.

- b. Trash Committee – *Kathleen Epperson*

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Epperson reported provided an update on shredded paper recycling that it can be recycled, clarifying that it can be recycled if properly bagged.

- c. Finance & Insurance Committee – *Victoria Skerritt*
No Report

- d. Landscape Committee – *Tieka Romanoff*

Meeting Notes from Landscape Committee Meeting, September 2025 were shared as follows:

Jesus has the plant replacement list for 2025. Jesus is going to walk through M2 to assess the plantings and will give the committee reps the final list of what has been approved and what has not.

A list of large projects for 2026 was given to Tieka and Bob for areas that would need to go out to bid. Tieka and India will go over the list to prioritize areas and send our findings to John T to include in the budget numbers.

Tieka introduced Fran Bennett to the committee. Fran is interested in joining our committee. There are now 3 openings for new members. Janice has talked to three people who are also interested in joining. Tieka was able to talk to two of them who are happy to join.

Note: At the first Thursday M2 meeting Laura gave a wonderful inspiring shoutout for our committee and another person would also like to join our group. Great job Laura!!!!

Coverage of zones 2 and 5. Once we get new members in place the zones will be assigned. Laura will be switched to Running Springs.

Fire Wise report from Bob is as follows:

Fire Wise is organizing new subcommittee. The next Town Hall will be held early in 2026. There will be a list of recommended plants, some possibly fire resistant if well-watered. Fire Wise is investigating grants from the state to remove trees that are fire hazardous.

- e. Infrastructure Committee – *Kevin Moore*
No Report
- f. Welcome Committee – *Susan Haigh-Bishop*
No Report
- g. Architectural Review Committee – *Lon Bruce*

Old Business

- a. None

New Business

- a. Appointment of Janneth Lujan to Assistant Board Secretary
Colucci motioned to approve the appoint Janneth Lujan as the new SWCM Secretary; Scott seconded. Motion passes (4-0)

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- b. Freeman's request for retrospective and go forward \$529 per unit increase. Colucci motioned to approve the appoint Janneth Lujan as the new SWCM Secretary; Scott seconded. Motion passes (4-0)
- c. 3465 Tice Creek gentle renovation budget and approval to proceed, including and through sale.

Kelso motioned to approve the renovation budget and approval to proceed not to exceed 30,000.; Scott seconded. Motion passes (4-0)

- d. Zinsco panel contract update, review and approval.

Kelso motioned to approve a bid for KR Electric for 40 Zinsco panels units of replacement panels not to exceed \$160,000; Scott seconded. Motion passes (4-0)

- e. \$20k deposit return from AMAC for voided Zinsco panel contract follow-up.

President Bruce shared that he will speak with the lawyer on next steps on how to recover the \$20,000.

- f. RPM contract and legal review.

Update from President Bruce informed the board about the final review or this RPM contract, There was a discussion on changes that we would like to see.

- g. Add laundry room interior refresh to the 12-year rehab process/cycle.

Bruce discussed the details on the rehab/cycle total of 51 units – refurbishments won't begin until they are budgeted in 2026.

- h. Inspections under the G-11 buildings.

Kelso and Howard reported on the efforts from previous years. Board discussed adding this to the list of in-house carpentry crew in the wintertime months.

- i. Sidewalk inspections and grinding added.

Kelso reported on areas of sidewalks that have deteriorated with time. The infrastructure committee has created a list of items that need attention. Howard shared that crews are dealing with these issues on Friday or as soon as possible depending on severity. Members are encouraged to contact the service order desk to report any issues.

- j. Balcony inspection results

Bruce shared that an inspection was done for repairs to access findings and can budget future repairs. Howard informed the board that he received the report and briefly can report that overall structure of the rear balconies is well maintained and there is no immediate threat to health and safety.

Members' Forum

Member asked about contract updates and timeframe for 3420 deck project. Howard provided updates but more information will be shared to residents and work should not affect members.



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Announcements The next meeting scheduled is the Board of Directors Annual Meeting held on Tuesday October 21, at 10:00 a.m. Fireside.

Adjournment

Meeting was adjourned at 12:02 p.m.

Board Services Coordinator

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

Janneth Lujan