

MINUTES

SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JUNE 19, 2014 AT 9:00 A.M. PEACOCK HALL – GATEWAY COMPLEX

President Barbara El-Baroudi called to order the regular meeting of the Board of Directors of Second Walnut Creek Mutual at 9:00 a.m. on Thursday, June 19, 2014 in Peacock Hall, Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Barbara El-Baroudi, President
Pat Dulmage, Director
Richard Unitan, Secretary

Excused: Sandy Skaggs, Vice President
Clay Dunning, Treasurer

Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Mark Marlatte, Building Maintenance Manager; Rick Chakoff, Chief Financial Officer; Rich Perona, Landscape Manager; and Anne Paone, Administrative Secretary.

There were 7 residents in attendance.

APPROVAL OF THE MINUTES

The minutes of the regular session Board meeting of May 22, 2014 were approved without dissent as written and reviewed.

RESIDENTS' FORUM

Virginia Maruyama, Leisure Lane, Entry 5 – Ms. Maruyama reported hearing a whining, whistling noise from the attic whenever the adjacent air conditioner is on. Mr. Marlatte will start by replacing the air conditioning unit next door to this manor to see if this resolves the problem.

LANDSCAPING REPORT – Rich Perona, Landscape Manager

Mr. Perona reported there is some stress on the lawns due to the reduction in water. They won't let them die, but they may not look as healthy as expected.

LAWN MAINTENANCE Lawns were fertilized in mid-June with sulfur coated Urea. Controllers have been turned back on. Irrigation to lawns has been reduced by 10%. Lawns have been treated for broadleaf weeds and also aerated.

ENTRY MAINTENANCE Crews are concentrating on monthly schedules, pruning shrubs and groundcovers and spot spraying weeds.

TREE MAINTENANCE Waraner Brothers Tree Service handles all work orders.

LANDSCAPE REHAB The crew finished the first two buildings in Singingwood Ct, Entry 6. We are meeting with the residents in the remaining buildings in Entry 6 on Tuesday June 24th at 9 am to discuss planned landscape rehab work.

There are two small projects to be completed in Canyonwood Ct., Entry 11, starting next week.

BUILDINGS AND FACILITIES REPORT – Mark Marlatte, Bldg. Maintenance Mgr.

Mr. Marlatte reported that carpentry and painting maintenance has moved to Canyonwood – Entries 7, 8, and 9; The Roofing Program has started; They are inspecting remaining bridges; Deck coating is scheduled as required in P.M. area and as needed; Appliance replacements for May cost \$27,562.00; Roof and gutter cleaning is finished; Manor Lube 2014 is at 60%; Paving and seal coat is completed for the year.

Mr. Donner reported that the Mutual is on budget for appliances for the year.

TREASURER'S REPORT – Rick Chakoff

Mr. Chakoff reported that YTD, the Mutual is over budget about \$65,000 mostly due to building maintenance, gutter cleaning, plumbing, and laundry room repairs. Insurance is over \$31,000 due to the shared deductible. This is not budgeted for as it cannot be foreseen. The Mutual is under budget by \$99,000 in utilities, mostly due to water.

Ms. El-Baroudi reported there were 13 resales in May with a median price of \$290,000. Year-to-date, there were 61 resales with a median price of \$269,000.

PRESIDENT'S REPORT

No Report

WATER CONSERVATION COMMITTEE - Dick Unitan

Mr. Unitan reported that the focus will be on informational articles for the Rossmoor News. They are getting suggestions from the community to do lawn reduction in common areas. This is not currently provided for in the budget, but they will look into doing this over a period-of-time.

EBMUD is offering free water-saving devices. Mr. Donner reported that he is still working on setting up a Water Conservation Day with EBMUD. He would like to get a bulk delivery of water-saving kits for SWCM.

Mr. Donner advised that EBMUD announced a rate increase and the Mutual already has it built into the budget. Water restrictions are still voluntary.

EMERGENCY PREPAREDNESS REPORT – Rose Kasmai

Mr. Unitan reported that they are always looking for entry coordinators. These

volunteers would facilitate the assessment regarding whether CERT needs to assist an individual. Ms. El-Baroudi reminded the membership that the infrastructure of the buildings is 50 years old and sometimes pipes break. Residents could potentially be without water for a period of time. People will look to the Mutual for help. Residents need to be prepared and have emergency supplies on hand.

OLD BUSINESS

None

NEW BUSINESS

Ms. Dulmage reported some of the history of the laundry rooms. There were many complaints about the condition of the laundry rooms. Specifically, the dirty floors, sinks stained and multiple machines in need of replacement. The Board decided to tackle the problems head-on. Commercial Support Services, the provider of the work crew, agreed to hire new team leaders and re-train the work crew members. An outside contractor was hired to steam clean the floors, clean and refinish the sinks as needed and paint the metal sink stands and floor drains. The Board determined the usage of each laundry room. Any laundry room that had a total cash flow below \$80.00 a month would have 2 washers and 2 dryers. Up to \$150.00 a month would warrant 4 washers and 3-4 dryers. The final change the Board made was to double the cost of each load from fifty cents to one dollar.

The Board has been notified that our appliance distributor is able to sell to SWCM new dryers at exceptionally low prices. General Electric is going to stop manufacturing dryers, but will continue to manufacture parts for these machines for the next 5 years.

Ms. Dulmage motioned to purchase 53 new General Electric dryers at a cost of \$28,683.60. Mr. Unitan seconded and the motion carried by a majority of 3-0.

Ms. Dulmage commented that this provides a savings of \$20,799.32 to the Mutual.

Ms. El-Baroudi announced that there will be an article in the Rossmoor News stating that FWCM, SWCM, and TWCM all decided to disband their current websites in order to utilize Rossmoor.com for their needs. It is user-friendly and is an excellent information resource. If needed, the Mutual Board Office has cards to instruct you on how to access the site.

ANNOUNCEMENTS

Ms. El-Baroudi announced the following meetings:

Second Mutual Regular Board Meeting – Thursday, July 24, 2014
9:00 a.m. Peacock Hall – Gateway complex

GRF Regular Board Meeting – Thursday, June 26, 2014 at 9:00 a.m.
Peacock Hall – Gateway complex

Trust Agreement Review/Revision – No Meetings until September.

Trust Agreement Committee – No Meetings until August-TBA
Gateway Board Conference Room

ADJOURNMENT

Having no further business, the meeting adjourned at 9:45 a.m.

/s/

Dick Unitan, Secretary
Second Walnut Creek Mutual