

MINUTES

SECOND WALNUT CREEK MUTUAL
REGULAR MEETING OF THE BOARD OF DIRECTORS
THURSDAY, JUNE 22, 2017 AT 9:00 A.M.
BOARD ROOM – GATEWAY COMPLEX

President Sanford Skaggs called to order the regular meeting of the Board of Directors of Second Walnut Creek Mutual at 9:00 a.m. on Thursday, June 22, 2017 in the Board Room at Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Sanford Skaggs, President
Barbara El-Baroudi, Vice President/Treasurer
Mark Fehlig, Secretary (left mtg at 9:50 a.m.)

Absent: Frank Mansfield, Vice President
Susan Williamson, Director

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

There were 8 residents in attendance.

The consent calendar consisted of:

- a. Regular Meeting Minutes – May 18, 2017
Executive Session Minutes – May 18, 2017
Ms. El-Baroudi moved to approve the minutes as presented. Mr. Fehlig seconded and the motion carried without dissent.

RESIDENTS' FORUM

A resident discussed landscaping, in particular the use of blowers. Debris is blown into the carports.

Cleaning carports is the responsibility of the owner. The landscapers are being instructed to not blow items in a manner that would cause them to end up in the carports.

LANDSCAPING REPORT – Rebecca Pollon, Landscape Manager

Mr. Donner reported the following:

LAWN MAINTENANCE: Turf mowing has resumed on a weekly basis. Irrigation is running frequently during the hot spell. Evidence of breaks or 'hot spots' in lawns should be reported to the work order desk.

ENTRY MAINTENANCE: Entry maintenance crews have moved to their spring/summer schedule pruning shrubs for size control.

TREE MAINTENANCE: There are no removal permits currently pending.

LANDSCAPE REHAB: The MOD crew has completed the process of its compost and mulch application on all ODD entries in SWCM though Ptarmigan and are working now on Tice Creek. Even entries will be addressed in 2018. We are not doing any more plant replacements (projects of 5 plants or less) until this fall /winter. We will begin accepting plant replacement requests in August.

The landscape representative and I are keeping running lists of the worst 10% of lawns in SWCM for removal or re-sodding this year. We are also keepings lists of areas that are in need of renovation and focal point projects to complete this year and plan for next year. If you have a project you want completed please submit your request to Susan Williamson.

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

Mr. Marlatte reported the following: Carpentry and Painting Maintenance-Carpentry Preventative Maintenance and Painting is at entry 17 on Tice Creek Drive; Roofing Program-Carports are complete and roofs almost complete; Bridge and Stair Replacements-Reviewing 2018; Deck Coating-Scheduling as required in Preventative Maintenance area and as needed; Appliance Replacements-Appliance replacement for the month of May was \$33,198.00 - \$20,000 of this amount was for water heaters; Roof and Gutter Cleaning-as needed; Manor Lube-2017 at 39%. Letters are being sent to residents that did not respond; Paving and Seal Coat-2017 Done; 1200 Canyonwood Ct.-Aquifer and building movement-Ned Clyde engineer is analyzing data and performing soil engineering samples.

Mr. Skaggs reported that when preventative maintenance is done the buildings are gone through for major rehab work. The next cycle should be easier and less expensive. The Mutual will follow about an 8-10 year cycle on rehabs. The manor lube is when refrigerators are checked, smoke alarms might be replaced, the water heater is checked, filters are changed, etc.

TREASURER'S REPORT – Rick Chakoff

Mr. Chakoff reported that the May operating fund had a surplus to budget of \$179,000. Revenues were \$34,000 better than budget. The Mutual was refunded \$30,000 from MOD. There was \$145,000 surplus over expenses because the Mutual hasn't used much water. Building maintenance was over by \$89,000. \$37,000 was due to gutter cleanings and rain leaks. There is \$155,000 in the operating fund and \$3,000,000 in the reserve fund.

Mr. Skaggs reported that there are 236 buildings. The Mutual owns inside the entry and outside of the entry is GRF responsibility. Mutual Operations Division (MOD) contracts with the Mutual to provide management services. They are a non-profit. If MOD runs a surplus, they refund it to the Mutuals on a door-by-door basis.

Ms. El-Baroudi reported that there were 9 sales in May at a median price of \$319,000. YTD, there were 50 sales at a median price of \$369,500.

PRESIDENT'S REPORT

Mr. Skaggs has already given his report.

BYLAWS

Mr. Skaggs reported that they are nearing the point where soon a draft can be sent to the owners for a vote. The Bylaws are very old and need to reflect the current requirements. They still have HUD listed in the documents.

RECYCLE

Mr. Skaggs reported that the Board has begun an effort on recycling. Mr. Fehlig reported that he is working with Carol Weed and also Republic Services. There is a pilot program that can save the Mutual money if it can downsize the landfill bins. There would be more room for recycling. Recycling is removed for free. He is also working with Republic Services to add lid props to the bins. Sustainable Rossmoor is doing a great job. The Board may visit composting at a later date.

Mr. Skaggs reminded everyone to break down boxes before tossing them into the bins.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENTS

Mr. Skaggs announced the following meetings:

Second Mutual Regular Monthly Meeting – Thursday, July 20, 2017
9:00 a.m. Peacock Hall – Gateway Complex

GRF Regular Board Meeting – Thursday, June 29, 2017 at 9:00 a.m.
Peacock Hall – Gateway complex

MEMBER MATTER

Resident at 1101 Fairlawn, Diana Bitz discussed the water intrusion from her slab. She gave the Board background on Tom Huber coming to look at it. The laminate floor was bubbling. Gauthier came and listened to the floor. She is more concerned about the slab, than her flooring. She doesn't think she is responsible for the slab. She has

never seen a report. She stated that she smells mildew now.

Mr. Skaggs reported that if the floor, which does not have a permit, was removed, the slab could be investigated.

Ms. Bitz would like it clarified that the Mutual will reimburse her for the cost of labor and standard flooring for replacing the bedroom flooring as stated in Mr. Skaggs email. She would also like the Mutual to issue an alteration permit for the rest of the hard surface laminate flooring in her home and not exercise the right to remove the balance of the flooring due to the lack of a permit. The flooring in the bathroom and entry tile were present when she bought the home.

Ms. Bitz stated that her insurance company has scheduled a leak detection company to come out.

Mr. Skaggs reported that he will move expeditiously to have the floor removed. The owner wants the Mutual to pay for it. Mr. Skaggs stated that that will have to be determined.

ADJOURNMENT

Having no further business, Mr. Skaggs adjourned the meeting at 10:05 a.m.

/s/ _____
Anne Paone, Assistant Secretary
Second Walnut Creek Mutual

**The Board of Directors met in executive session on May 18, 2017 following the adjournment of the open Board meeting to discuss the following:

1. Termination of membership. Mutual to decide whether to take back the manor for account #02014038. After careful review of the information presented, the Board agreed to do so.

Having no further business, the executive session adjourned at 10:25 a.m.