

WALNUT CREEK MUTUAL THIRTY-NINE

MEETING MINUTES OF THE BOARD
TUESDAY, FEBRUARY 25, 2020 at 1:00PM
BOARD ROOM - GATEWAY
1001 GOLDEN RAIN ROAD, WALNUT CREEK, CA 94595

Call to Order

Claire Wolfe called the meeting to order at 1:00 p.m.

Roll Call

Directors Present: Claire Wolfe, President
Al Guskin, Vice President
Bill Claussen, Treasurer
Mike Dwyer, Secretary
Jennifer Mu, Director at Large

Also Present: Paul Donner, Mutual Operations Director; Clayton Clark, Building Maintenance Manager; and Kelly Maki, Board Services Coordinator.

Residents' Forum

A Resident's Forum was held for comments and questions from the membership. No comments were made.

Approval of Minutes

1. Regular Meeting held on November 19, 2019
2. Special Meeting held on February 10, 2020

A motion was made to approve the minutes of the regular meeting held on November 19, 2019 and the special meeting held on February 10, 2020 as presented.

Moved, Seconded, Carried 5-0

Committee Reports

1. Landscape Committee: Jean Faszholz

Jean introduced any landscape committee members that were present. Jean reported that this Spring is the real test for the new organic contract and how the crew will do with the weeds in the lawn areas. The organic contract is under a 1-year review, based on the results of 2020. New organic mulch is now being used when there is a need for mulch replacement. Requests from owners regarding landscaping are handled on an individual basis with the budget in mind. Requests are then prioritized. We have "free labor" MOD days coming up this summer and the work will be prioritized based on the labor intensity.

2. Governing Documents Committee: John Rice

John Rice introduced the members of the committee that were present. John reported on the highlights of the Election law SB 323. An inspector of elections will need to be appointed by March 20th and John requested that the Board call a special meeting to approve one. The CC&R draft is ready to be mailed out to the membership for a comment period and Town Hall meeting prior to the official balloting. The Town Hall

WALNUT CREEK MUTUAL THIRTY-NINE

meeting will be tentatively held on April 6, 2020. John gave the history of M39 CC&Rs.

A motion was made by the Board to approve mailing out the current draft of CC&Rs to all members for review and questions prior to the Town Hall meeting.

Moved, Seconded, Carried 5-0

John continued to report that emails are now part of the membership list, owners must opt in to receive individual notice via email, and owners must opt out if they wish not to be published on the member list.

3. Budget and Finance Committee: Bill Claussen

Bill reported on the operating variances for water, PG&E and utilities. Landscaping and Insurance are the biggest increases/variances for this year's budget. Bill reported on how the insurance premiums must be paid in full at the beginning of every year. This is being done by borrowing from the reserves.

- a. A motion was made to authorize Bill Claussen and the Finance Committee to work with Tess Haskett and place reserve funds into CD's so that no account exceeds the FDIC insured balance.

Moved, Seconded, Carried 5-0

- b. A motion was made to certify that the Mutual is in compliance with Civil Code 5500 for review of the financial reports of October 2019, November 2019, and December PRELIMINARY 2019.

Moved, Seconded, Carried 5-0

4. Communications Committee: Mike Dwyer

Mike Dwyer reported that the committee is updating emails and email authorization forms. It is a work in progress.

5. Recycling Committee: Judith Schumacher-Jennings:

Judith reported that "right-sizing" is continuing; the Mutual incurs a fee when a bin is "yellow tagged" for mis-sorting or overstuffing; and that signs will be placed on the trash enclosures for further education to residents and their guests.

6. Building Maintenance/Alterations Committee: Jennifer Mu

Jennifer gave the following report:

1. New Law Requiring Visual Inspection of Balconies/Stairways/Elevated Walkways

This is potentially a big cost item. The new law (SB 326) requires a condo HOA to:

- Cause a reasonably competent and diligent visual inspection of exterior elevated elements (EEEs, including load-bearing components and associated waterproofing systems), and determine whether the EEEs are in "generally safe condition" and performing according to standards.
- Inspections must be done:
 - Once every 9 years, but the first inspection must be completed by 1/1/2025;
 - By a licensed structural engineer or architect;
 - Of a random and "statistically significant sample."

WALNUT CREEK MUTUAL THIRTY-NINE

- A further inspection is required if the inspector finds any signs of water passing into the waterproofing system.

It has been suggested that the inspections be coordinated with the reserve study cycle.

2: Free Touchup Paint for Residents

When we were part of M3, members of then Project 39 could contact MOD and request free touchup paint. This usually happened when an alteration project involved painting the exterior of the building. There was no limit on how many cans of free paint an owner may receive. Here is how MOD handles the touchup paint requests:

- Owner or contractor calls MOD to request touchup paint.
- MOD identifies the paint color, fills quart can, and contacts the owner or contractor for pickup.
- MOD bills Mutual for its labor, paint, and cans used. Current rate is \$32 per quart can.

The Problem:

- Many owners or contractors do not pick up the paint requested, despite repeated calls from MOD. Currently MOD has about two-dozen cans of requested paint (not for M39 residents) sitting in a cabinet waiting for pickup. Some of them date back to September last year.
- In some cases, MOD found out from the contractors that the project had already been completed and the paint was no longer needed.
- After a certain period of time the paint must be disposed of, resulting in a waste of Mutual's funds. It also adds to the MOD's corp yard fees and thus increases our share of the fees.
- In many cases the new paint does not match the existing color because the old paint on the building has faded.

Board Consideration:

- Should M39 continue to provide free touchup paint to residents?
- Should the owner pay for the MOD cost when the paint is needed to complete an alteration?
- Should the contractor be allowed to request, and pick up, the paint from MOD?
- Should the request be submitted to the Mutual for approval?
- Should the Mutual bill the owner for the paint requested but not picked up?

The Board discussed the free touch up paint for residents. A motion was made for owners to pre-pay \$32 a can for any requested touch up paint.

Moved, Seconded, Carried 5-0

*Residents/Owners can get the paint formula from MOD at no charge and take it to the paint store of their choice.

Presidents Report

President Wolfe gave the following report:

As President of Mutual 39, I am invited to a once a month meeting of presidents of all the mutuals in Rossmoor. This is invaluable to me as a new president of a new mutual. Topics are suggested by the president's and the discussions are lively. Tim O'Keefe, Paul Donner and Rick Chakoff join us for part of the meeting. I don't have anything in particular to report at this time. I can say that it sounds like the concerns we in Mutual 3 are encountering are typical of what other mutuals are dealing with.

WALNUT CREEK MUTUAL THIRTY-NINE

I thank Jean Faszholz for organizing our very first Resident's Forum on Organic vs non-Organic gardening and Rightsizing garbage containers. The information presented was very useful to upcoming decisions the Mutual needs to make. I applaud all who presented and spoke. The dialogue was respectful and educational in the spirit of our commitment to inclusion and transparency.

Respectfully submitted,
Claire Wolfe

Old Business:

1. **Discussion and Approval of Amended CC&Rs draft:** A motion was previously made on this topic during the governing documents report, see above.

Announcements

The next meeting will be the Annual meeting held on Wednesday, May 27, 2020 at 1:00 p.m. in the Club Room at Creekside.

Adjournment

President Wolfe adjourned the meeting at 2:10 p.m. and the Board moved into Executive Session.

Executive Session Summary

The Board met in executive session to discuss member discipline.

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.



**Assistant Secretary
Mutual 39**