

BOARD OF DIRECTORS REGULAR MEETING

Monday, June 17, 2024, at 1:30 p.m.

Meeting is Conducted In-Person and Virtually

**Gateway Clubhouse – Board Room
1001 Golden Rain Road, Walnut Creek, CA 94595**

MINUTES

1. Call to Order

President Seldon called the meeting to order at 1:30 p.m.

2. Roll Call of Directors

Janet Seldon – President
Ward Thompson – Vice President
Rajasundaram Sivasubramanian – Treasurer
Jeff Spires – Secretary
Roberts Amans – Director-at-Large

Mutual Operations Staff

Jeroen Wright – Director of Mutual Operations – Absent
Todd Arterburn – Chief Financial Officer – Absent
Rick West – Sr. Building Maintenance Manager
Jesus Morales – Landscape Supervisor
Victoria Thomas – Board Services Coordinator
Lisa Kam – Interim Board Services Coordinator

3. Members' Forum

Members were afforded the opportunity to express their concerns, make comments, or have questions for the Board. There were no comments made.

4. Consent Calendar

- a. Board of Directors Special Meeting Minutes – May 7, 2024
- b. Board of Directors Regular Meeting Minutes – May 20, 2024

Topic Deferred

5. President's Report – Janet Seldon

Presidents' Forum has working group that is currently working on the GRF Management Agreement. Once the draft is finalized it will be brought forward to the Mutuals' Boards for review. Firewise Townhall on emergency evacuation was a success. The meeting was recorded and can be viewed on Rossmoor's YouTube channel.

6. Treasurer's Report – Sivasubramanian

The May financials will be released today. Sive requested MOD accounting whether the Mutual can have the financials a little early so that Siva can present it at the Board meeting today.

WALNUT CREEK MUTUAL FOUR

Siva received basic financials and bank reconciliation statements around 5:00 p.m. yesterday. He did not receive the aging report until this morning. He thanked MOD accounting for their efforts in getting this to him earlier.

As of May 31, 2024, the Mutual's expenses in the Operating Fund exceeded income by \$4,882 for the month. In the Reserve Fund expenses exceeded income by \$6,055 for the month. For the year to-date, operating funds have a positive variance of \$60,711 against budget and the reserve funds has a positive variance of \$203,458 against budget. For the year today, utilities had a \$36,000 positive variance and building and maintenance had a positive variance of \$13,000. Both will disappear when the temperature warms up. Normally, Mutual Four does not see major expenses on the reserve budget until the weather warms up.

April end Operating Fund balance: \$604,821
April end Reserve Fund balance: \$3,275,382
April end total balance: \$3, 880,203

Starting in March, Siva has been reporting actual cash balances in the Treasurer's Report since they will differ from the above balances and cash balances give an accurate description of the financial status of the mutual.

At the end of May, Mutual 4 had \$197,180 in the Operating Fund account and \$183,484 in the Reserve Fund bank for a total of \$3,380,664.

As of May 2024, total delinquencies were \$118,349 in past due monthly assessments.

Delinquencies on third party billing is \$16,039. The new CFO indicated that resolving this will be one of his top priorities for the year. Currently the delinquency on the special assessment for last year is around \$6,650. We also have some delinquencies from the special assessments from 2021 for about \$4,775. At the last Board meeting we approved putting liens on two properties and decided to start judicial foreclosure on a property that has a large delinquency. Since then, we discovered that the property tax on the property has been paid. We have asked our lawyer to send a letter to the apparent heir explaining our intent to start a judicial foreclosure if they do not cover the delinquencies in a reasonable time.

Mutual also had interest income of \$12,335 in May.
Last year the Mutual had an interest income of \$9,928 in May.

Two motions were requested:

The first motion is to certify that the May financials have been reviewed in accordance with Civil Code §5500.

Motion made by Siva, seconded by Seldon, to approve certification of compliance with Civil Code §5500 for the May financials. Approved by unanimous vote. (5-0)

The second motion is: In accordance with the collection policy for the time period between one meeting and the next, those owners who are delinquent will be sent to A.S.A.P. Collection Services to initiate collection activities, including but not limited to recording a lien and/or any successive liens(s)." Currently, there are 4 liens on properties in the Mutual.

Motion made by Seldon, seconded by Siva, to approve using A.S.A.P. Collection Services to initiate collection activities. Approved by unanimous vote. (5-0)

WALNUT CREEK MUTUAL FOUR

7. **Mutual Operations Manager's Report** – Jeroen Wright
No Report

8. **Landscape Report** – Jesus Morales
Plant Replacement

Please email all requests to plantreplacement@rossmoor.com

Details can be found at <https://rossmoor.com/residents/resident-services/landscaping>

The gap in planting is at least 4 feet by 4 feet. Narrower openings will not be planted as plants must have room to mature.

Requirements for plant replacement:

- The plant must be in an area that was previously occupied by planting and is currently irrigated.
- The gap in planting is at least 4 feet by 4 feet. Narrower openings will not be planted as plants must have room to mature.
- There are no pots in the area where a plant is desired. If there are pots, the request will be denied. There should be no resident potted plants in the common area.
- Requests must be submitted by August 15th. All requests received after this date will be considered for the following year's replacement program. Requests are accepted by email only.

This program is to replace landscaping that has died, not requests for new landscaping. For requests that surpass a simple plant replacement of two to three plants, please contact your landscape representative.

Plants that are drought tolerant will be allowed.

Landscape Maintenance

- Fire abatement has been completed by Terra
- Turf fertilization is underway

9. **Building Maintenance Report** – Rick West

Informational Items: Work Scheduled, In Progress, or Completed.

Entry 10 Dry Rot Repair Work Prior to Paint. Contractor CALPRO Estimate. \$5,170.82

In Progress

- Remove and Replace failed Asphalt (Tice Creek):
- Grind out approx. 17,350 sq ft of asphalt at 4 inches of depth.
- Pave with hot mix asphalt in 2 separate lifts, compacting after each lift.
- Roll to provide proper compaction and finish.
- Stripe to match existing lot.

Price: \$74,353.00

Remove and Replace failed Asphalt (Pine Knoll):

- Grind out approx. 6,085 sq ft of asphalt at 4 inches of depth.
- Pave with hot mix asphalt in 2 separate lifts, compacting after each lift.
- Roll to provide proper compaction and finish.
- Stripe to match existing lot.

Price: \$31,812.00

Total Contract Price: \$106,165.00 - Scheduled

WALNUT CREEK MUTUAL FOUR

Entry 10 Painting Project - Product: Dunn Edwards Paint. Contractor: CALPRO
Board approved NTE \$56,000.00 Scheduled

SB326 - Structural Engineers inspection of raised mutual components -
The Board has elected to complete this project in 4 Phases over 4 years starting in 2021 and completing the inspections in 2024.

Total Inspection contract Cost \$78,071.00.

Contractor: FWC - Destructive testing and put back will be completed by others.

Contractor: Alp Construction was awarded Phase I repairs.

Work is in progress - Estimated Cost \$65,506.00).

Roofing Project - 2109 Skycrest - Duralast, Tile to Comp. Gutter & Downspouts.

Contractor: Fiala Roofing. Rain Leak repairs and Balcony repair work are also included in this project.

In Progress Cost \$142,459.00

Dry Rot and Touch Painting Project Contractor: MOD was awarded this project. Skycrest / Pine Knoll / Tice Creek will be completed for an additional cost of \$50,000.00. (The final phases will be completed in 2025).

West will get bids for a couple of roof replacements. Once received will present to the Board.

Resident reported they did not have hot water, but the kitchen floor was warm. West stated this is a clear indication of a hot water pipe crack with hot water leaking, which warmed the floor. AMAC Construction provided a quote to repair damages to the water pipe leak. Estimated cost for the repair is \$8,990.00. If plumbing is added the cost will increase to \$10,000.00. West does not have an estimate for the plumbing yet. Project should take approximately two weeks to complete.

Motion made by Seldon, seconded by Siva, to approve a contract with AMAC Construction in the amount of \$8,990.00 from the Reserve Fund to repair the water pipe damage. Approved by unanimous vote. (5-0)

5 concrete pads are coming up causing a tripping hazard and are in need of repair or replacement. Five Star Painting provided a quote in the amount of \$4,900.00 to repair the pad.

Motion made by Seldon, seconded by Siva, to ratify replacement of concrete pad by Five Star Painting in the amount of \$4,900.00 from the Reserve Fund. Approved by unanimous vote. (5-0)

109 square feet of concrete walkway needs to be replaced for an estimated cost of 4,360.00.

Motion made by Seldon, seconded by Siva, to approve contact with Five Star Painting in the amount of \$4,360.00 from the Reserve Fund to replace concrete walkway. Approved by unanimous vote. (5-0)

West reported that the first draft of Reserve Study Report done by Helsing Group will be presented to the Board by June 20, 2024.

WALNUT CREEK MUTUAL FOUR

Board selected paint colors from Scheme #6 for Entry 1- Painting Project for carports. CalPro won the bid for the project.

- Exterior DEC719 Coral Clay
- Fascia DEC785 Whisper Gray
- Trim DEC785 Whisper Gray
- Interior DEW340 Whisper

10. Committee Reports

- a. Governing Documents – Kathleen Bridgeman
No Report
- b. Firewise Townhall – Ward Thompson
The Townhall was a success with over 300 people in attendance and 100 on virtually. To maintain certification 1,300 volunteer hours must be completed annually. Walnut Creek Police and Contra Costa County Fire were in attendance to present on emergency evacuation.
- c. Trash Committee – Deb Hachen
No Report
- d. Communications Committee – Carl Brown
Brown will update the golf cart registration information. Residents can send their information to Lisa Kam at lkam@rossmoor.com.
- e. Alterations Committee- Linda Brown
No Report

11. Officers' Reports

- a. Vice President
No Report
- b. Secretary
No Report

12. Unfinished Business

None

13. New Business

- a. Introduction: Susan Chang in-coming Board Member
Chang introduced herself and shared her work experience and past Board experience. Susan plans to join the Board in July.

14. Announcements – July 15, 2024, meeting was cancelled.

New date has been scheduled for the Annual Members & Organizational Meetings on July 29, 2024, at 1:30 p.m. in the Fairway Room at the Creekside Clubhouse as well as virtually.

15. Adjournment

There being no further business the Board of Directors adjourned at 2:51 p.m.

Board Assistant Secretary's Certificate

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

Victoria Thomas