

MINUTES
FOURTH WALNUT CREEK MUTUAL
MONDAY, JULY 15, 2019 AT 1:30 P.M.
BOARD ROOM – GATEWAY

President Swisher called to order a regular meeting of the Board of Directors of Fourth Walnut Creek Mutual at 1:30 p.m. on Monday, July 15, 2019 in the Board Room at Gateway complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: PRESENT: Vicki Swisher President
 Linda Brown Vice President
 Eva Angvert Harren Director

ABSENT: Carolee Perrich Treasurer
 Sheldon Schwartz Secretary

Representing Mutual Operations were Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Rebecca Pollon, Landscape Manager and Anne Paone, Administrative Secretary.

Ms. Swisher welcomed 6 residents in attendance.

APPROVAL OF CONSENT CALENDAR

Ms. Brown moved to approve the consent calendar with the minutes listed as follows: June 17, 2019 Regular Board Meeting – June 17, 2019 and June 12, 2019 Executive Session Meeting. Ms. Harren seconded and the motion carried without dissent.

RESIDENTS' FORUM

No comments or questions from the residents.

MANAGEMENT REPORT

No report.

PRESIDENT'S REPORT

As part of Ms. Swisher's report, she shared some of the information from the June President's Forum.

- One of the Presidents shared details of an incident where damage was done to Mutual property by a driver delivering merchandise to a manor owner. It was pointed out that according to that Mutual's CC&Rs, the manor owner was liable for the property damage because they approved the driver entering Rossmoor. Mutual 4 also has this same Owner Liability per CC&R Section 8.7. This extends to any company delivering merchandise to a manor even if they are automatically allowed through the gate such as Fed Ex or UPS. Large companies are generally not an issue, but manor owners should check with restaurants or small

businesses to ensure their drivers have liability insurance. Mutual 4 will place this information in the next newsletter.

- Mutual 4 gave a presentation on their new Mutual Modification computer application. The Mutual Presidents were notified that the application was written to accommodate all Mutuals and will be managed by MOD. With the exception of Mutual 4, all of the modification data will be entered by MOD personnel. Mutual 4 Task Force on Technology and Preventive Maintenance will enter the majority of the Mutual 4 modifications. Any Board member or a designee may have access to the Mutual Modification data for their Mutual. Mutual 4 offered training to all Board members in August.
- Ann Peterson gave a presentation on changes to the Rossmoor website and Rossmoor News. In addition to an overall makeover to the website, some of the more significant changes are new or expanded pages for alterations, landscaping, recycling, and bus information. The website also automatically re-sizes the information to fit the type of screen being used for viewing (laptop vs tablet vs phone). A new interactive eEdition of the Rossmoor News is now available at <https://rossmoornews-ca.newsmemory.com> or by following the instructions on the Rossmoor News page on the website. The advantages of eEdition are that articles are printable, information can be forwarded to family and friends, and entire articles can be viewed on one page even if the articles is on multiple pages in the paper copy. Ms. Peterson indicated that developing the electronic version of the Rossmoor News is important because within 2 - 3 years there will not be any printing presses available to publish a hard copy of the paper.

TECHNOLOGY AND PREVENTATIVE MAINTENACE TASK FORCE

Ms. Swisher reported the following:

Last Month's Activities:

- Continued drainage program by clearing debris from catch basins and drain pipes and removing debris from wire mesh, as needed. The wire mesh installation has proven to be very successful and shows little degradation after more than one year.
- Continued to evaluate EBMUD water reports for Mutual 4 to identify evidence of major underground water leaks.
- Continued inspections of entries #10 through #17 Skycrest Drive for wood rot and painting issues.
- Evaluated the existing organics composting program. Various cleaning methods are being tested to determine what works best to maintain hygiene and safety in the trash enclosures. Bins that are not lined, cleaned weekly, or treated with vinegar on a regular basis are showing signs of maggots. The Task Force is going to discuss potential cleaning costs with MOD.
- Continued reviewing the Condominium Design Drawings located at MOD to identify drainage, irrigation, and structural details. MOD has granted permission for Mutual 4 to scan the drawings since none are currently in the MOD electronic database. MOD also

suggested that we obtain electronic copies of the building drawings from City of Walnut Creek Building Division.

- Inspected various manors, at the owner's request, to identify maintenance issues. The Task Force is trying to inspect and assist in resolving issues at no cost to the Mutual.
- Inspected various Common Areas, at the owner's request, to identify landscape and erosion issues.
- Researching contractors to bid on 2 ply bitumen roof for 1401 Skycrest Drive.
- Mutual Modifications computer program undergoing beta testing by MOD. Other MOD personnel will be trained later this month. Intend to hand over the Mutual Modifications program to MOD by end of July or early August. Currently working with Joe Bruzdinski, Manager MOD IT, regarding turnover process.

Activities Scheduled for Next Month:

- Continue ongoing activities listed above (drainage inspections, water reports, dry rot inspections, etc.).
- Continue working on the solar policy. Outstanding issues have not been resolved.

Open Items:

- Perform water pressure and leak testing at 1902 Skycrest Drive. This has been delayed because of remodeling on manor #2.
- Preparation of electric vehicle policy (waiting for completion of carport electrical inspections by Sang Electric).

TASK FORCE ON PARKING

Ms. Swisher reported the following:

- The 200 feet of curb on the right side of the street as you are entering Entry #3B has been painted red to restrict parking.
- The Board signed a work order to paint 70 feet of the right curb in Entry #7 to restrict parking at the opening to the Entry.
- Since the Board Director previously designated as Chairperson is no longer on the Board, the Board is going to appoint another Chairperson at a future Board meeting. The Board is awaiting completion of the Task Force charter and operating guidelines before proceeding.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Pollon read her report as follows:

SUMMER LANDSCAPE REPORT

Warm days are coming. Irrigation will peak in August due to day length and temperature spikes.

Residents can help keep the landscape healthy by reporting dry spots on lawns or evidence of irrigation issues to the work order desk.

LAWN MAINTENANCE Mowing occurs weekly and lawns are edged on alternating weeks.

WATER USE July and August are typically your highest water consumption months. Irrigation will continue to become more frequent as the temperatures rise which means more breaks in the system. While we do system checks regularly, residents will often notice issues before we do. We encourage you to call these in to the work order desk for immediate attention.

ENTRY MAINTENANCE Entry maintenance crews are performing summer pruning tasks including tip pruning shrubs and hard pruning Catmints and Daisies.

RESIDENT REQUESTS

If you have landscape *maintenance* requests (pruning or irrigation), please direct them to the MOD work order desk. If you have landscape *improvement* requests please contact your mutual landscape representative.

WORK ORDER DESK

By phone: 988-7650

By email: WORKORDER@ROSSMOOR.COM

LANDSCAPE REHAB REPORT

Remaining budget is ~ \$45,000

ENTRY MULCHING

120 cubic yards of composted mulch has been installed with the exception of entries 1 and 3 because they are scheduled to be rehabbed in the next year to two. The total came out to approximately \$10,000, \$2,000 under budget.

MOD WORK DAYS

Complete for spring. Edges of selected buildings were excavated to prevent dry-rot as identified by V. Swisher. We will return to install cobble in some locations where the excavation took place but this will not be possible in all locations. No costs incurred yet.

Summer MOD days-3 days floating for irrigation issues. No costs expected to be incurred.

Plans for fall MOD work have not yet been made. Fall work is tentatively scheduled for late November to early December and you will have 12 days to perform work. Costs TBD.

PROJECTS AND ENTRY REHABS

1605-1609 Skycrest	
1605 #18	\$4,400
1609 #19	\$2,155
1609 #20	\$4,530
1609 #19 Cypress removal	\$450
Total	\$11,535

Skycrest entries 1 and 3

Are on the schedule for entry rehabs this calendar year. However, due to fire concerns I think we should postpone the schedule for a year and work on juniper removal projects within the defensible space (30' of buildings). If the board would like I can create a plan and get prices.

TREE REPORT

Remaining Budget is ~ \$19,000

Three trees have been removed this year and a variety of branch removals. The removal of several crowded trees between 1109 and 1133 will be removed in the coming weeks. \$3,580

No tree removal permits are pending.

Annual tree maintenance bids have been requested from Waraner. We have not yet received proposals.

IRRIGATION REPORT

Remaining Budget ~7,900

There are 11 irrigation controllers left that are older than 10 years old and should be replaced. To replace all 11 would cost \$27,500 so we should wait until the end of the year and see what budget funds are remaining and replace as many as possible.

FIRE ABATEMENT REPORT

COMPLETE

Fire abatement work of all grasses is complete including the additional 50'.

Tree fire abatement to the 2nd v-ditch between entries 13 and 16 was approved but I do not believe has been completed as of now. \$3,600

Ms. Brown moved to approve the proposals from Terra Landscape for 1605 Skycrest Drive #18, 1609 Skycrest Drive #19, and 1609 Skycrest Drive #20 for a total amount of \$11,535. Ms. Harren seconded and the motion carried without dissent.

Ms. Swisher reported that she has provided the Board members with a list of Mutual 4 lawns that Rebecca has recommended as candidates for removal. She would like each Director to review these locations and provide input at the August Executive Session.

BUILDING MAINTENANCE REPORT

Mr. West reported the following:

PENDING ITEMS: Proposal review for Approval

1. PGS - Professional Gutter Cleaning 3 year contract proposal.
(presented to the board for approval).

Ms. Brown moved to approve the 3-year proposal from Professional Gutter Services in the amount of \$11,050 per cleaning per year with two cleanings at a cost of \$22,100. Ms. Harren seconded and the motion carried without dissent.

Two cleanings would take place in November and February.

Ms. Brown moved to approve the proposal from Davis Plumbing for \$87,634.50 to replace the main water lines under 7 G-11 buildings to copper with shutoff valves for every two units. Ms. Harren seconded and the motion carried without dissent.

Ms. Harren moved to approve the Five Star proposal for drainage and concrete work in front of 1609 Skycrest Drive #20, Entry #10 for \$8,455. Ms. Brown seconded and the motion carried without dissent.

Ms. Swisher asked Rick West and Paul Donner why the Mutual pays a setup fee for dry rot and balcony repairs change orders. Mr. Donner agree to waive these setup fees on all future change orders.

Ms. Brown moved to approve the dry rot change order for \$7,560. Ms. Harren seconded and the motion carried without dissent.

Ms. Brown moved to approve the Five Star proposal for upgrading the trash enclosure in Entry #7 Skycrest Drive for \$3,750. Ms. Harren seconded and the motion carried without dissent.

2. Curb Paint Entry 7 MOD cost \$426.57 (Work Pending).

INFORMATION ITEMS: Work in progress or completed.

1. 2019 Phase I Balcony Repairs – Contractor: MOD – Estimated cost \$41,000.00
2019 Deck / Balcony repair Budget \$81,700.00. (Work in Progress).
2. 2019 Phase I Dry Rot Repair Project - Entries 1 thru 9 - This includes 19 buildings and 14 carports.
Contractor: MOD – Total estimated cost \$ 150,000.00. including Material and Labor.
General Building Repair Budget for 2019 is \$182,600.00 (Work in Progress).

3. Replacement of Trash enclosure doors in entry #1 – Contractor: Five Star - 2 new PVC Vinyl Doors – (Work Pending).
4. Interior and Exterior Panel Inspection and Lube - Contractor: Sang Electric – MOD is gathering estimates from Pure electric and Axis Electric to complete exterior inspections. (Work Pending).
5. Installing new Main Line Galv. to Copper piping on all 8 G – 11 Buildings - Contractors:
Five Star Estimate \$70,000.00 / Leap Frog’s Estimate \$99,200.00.
Waiting for Davis Plumbing proposal.
(Bid to be presented to the board for approval).
1149 SC #1 Re-piping hot and cold water lines from water heater to Bathroom sink.
Contractor : Five Star Cost \$4,200.00 (Work Completed).
6. 1501 SC 50 Sq. Ft. of sidewalk replacement – Contractor: Five Star
Estimated Cost \$1,250.00
(Work Completed).
7. Curb Paint Entry 3A – 3B MOD cost \$587.06 (Work Completed).

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

Ms. Swisher reported the following:

- Alterations Updates - Resident alteration requests covering the period 01/01/2019 to 6/30/2019 include:
 - 19 alterations were approved by the Board and are in progress
 - 7 alterations required clarification by the Board before approval.
 - 25 alterations were completed.

Ms. Swisher reported the Alteration Committee appreciates manor owners discussing upcoming large remodels with the Committee before finalizing design changes and obtaining an Alteration Permit. This helps to streamline the process.

- Compliance Updates
 - No compliance issues were identified in any of the above approved alterations. However, the Committee is working with Bill Parsons, Alteration Department, to ensure all comments and agreements attached to the Alteration Permit by the Committee are carried through to the approval letter sent to the manor owner. This letter also provides the basis for the Alteration Departments inspections.

EMERGENCY PREPAREDNESS COMMITTEE

Steve Adza reported there was a PG&E Public Safety Shut Down meeting on July 11th. Mr. Adza met the new Fire Marshall. If there is a shut down, it could take approximately five days to restore everything. Rossmoor would be broken down to four subdivisions for evacuation.

COMMUNICATIONS COMMITTEE

Mr. Brown requested articles from the Board for the newsletter. The next issue will be the Fall issue.

Mr. Brown reported that he has been looking into security for the website. If he uses encryption, passwords can be decrypted. 4th Mutual needs the website to be done in WordPress. Mr. Brown will get some bids. He will bring options for the Board to the next meeting.

POLICY COMMITTEE

Since the previous Chairperson has stepped down, Ms. Swisher provided the report on behalf of the Committee:

- There are still open items regarding golf port usage, rent, and ownership. This is currently being researched.
- According to Tess Haskett, MOD Assistant Controller, the Mutual 4 policy on fines needs to be updated to be in compliance with Davis-Stirling. This remains an open item.

The Board plans to appoint a new Chairperson to the Policy committee and is requesting Mutual members to volunteer for this Committee.

OFFICERS REPORTS

1. President: Ms. Swisher reported that she would like to use the President's report as the mechanism for listing any work orders or invoices between \$500 and \$5000 that were signed during the past month by her per the requirements of the Board to ensure financial disclosure in the meeting minutes. The following was approved by Ms. Swisher after clarification of the line item charges:
 - Five Star Painting for \$3100 to cover change order for removing and replacing concrete in front of 1801 Skycrest Drive to repair tripping hazard.
 - Steve Adza for \$175.00 for miscellaneous expenses.
 - ERI for \$1735.00 for asbestos abatement in living room of 1401 Skycrest Drive #3 following repair of a roof leak
 - Protera for \$395.00 for post asbestos abatement air sampling in 1401 Skycrest Drive #3 following repair of a roof leak.
 - MOD for \$426.57 for power washing and painting 70 feet of curb in Entry #7 Skycrest Drive.
 - The Board has started the 2020 budgeting process. We are currently reviewing the updated worksheets for the Helsing Report. Our first meeting is Friday July 19 at 1 PM in the large MOD conference room with Jo Ann Cooper and Rick West. Details regarding both Operating and Reserve funds will be discussed. The Mutual 4 Annual Budgeting guideline developed by the Board in 2018 has been provided to the Directors to assist in the process.
2. Vice President: No report.
3. Treasurer: Ms. Swisher gave the Treasurer's report. Based on the Financial Report, as of 5/31/2019, the YTD Reserve Fund ending balance is \$1,580,363 and the YTD Mutual Operating Fund balance is \$95,291. The Reserve Fund shows a excess of revenue over expenses of \$26,972 for the month of May and \$28,722 for the YTD. The Operating Fund shows a deficiency of revenue over expenses of \$312 for the month of May and an excess of \$30,984 for the YTD. Tess Haskett,

MOD Assistant Controller, has been requested to transfer a portion of the excess operating Fund monies to Reserve to repay monies that was borrowed to pay the entire year's insurance premium in January 2019. These monies must be repaid from the operating Budget to the Reserves during the calendar year. Expenditures in Custodial Services, Insurance, Utilities, and General & Administration were higher than budgeted in May, while expenditures in Building Maintenance & Public Works, Landscape Maintenance, and Professional Services were lower than budgeted in May.

Delinquent Accounts: Fourth Mutual continues to have one account that is 90 days overdue. The Board previously voted to approve a payment plan with the property heir. The heir did not follow the payment plan. Although the heir has started to make monthly payments as of April 2019, the payments are far below the amount needed to pay off the delinquent account in a timely fashion. The Board is taking steps to place a lien on the property. The Board is taking steps to place liens on three other delinquent accounts. The first step is issuing hearing letter to each Owner.

Based on the new Davis/Stirling requirement that the Board perform a monthly review of the HOA financials, Ms. Swisher asked for a motion to certify the Board's compliance with Civil Code Section 5500.

Ms. Brown moved to certify the Board's compliance with Civil Code Section 5500. Ms. Harren seconded and the motion carried without dissent.

4. Secretary: No report.

UNFINISHED BUSINESS

- A. Request more grant money for landscape work: Ms. Pollon indicated that \$5000 is the maximum per entity.
- B. Process for establishing Mutual 4 committees:
No updates from Ms. Brown. The Board needs to get committee information to her.
- C. Mutual 4 Annual Meeting Open Items: The Board identified all open items and responsible personnel.

NEW BUSINESS

None

ANNOUNCEMENT

The next meeting is the Annual Meeting scheduled for August 1, 2019 at 4:00 p.m. in the Fireside Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:20 p.m.



Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual

***The Board of Directors met in executive session on June 12, 2019 at 1:10 p.m. to discuss the following:

1. Contracts – Contracts were discussed
2. Member Compliance – Work on Carport, owner to be invoiced
3. Payment Plans – Discussion of aged receivables

Having no further business, the executive session adjourned at 4:30 p.m.

***The Board of Directors met in executive session on June 17, 2019 at 3:10 p.m. to discuss the following:

1. Contracts – Discussion of templates for contracts
2. Personnel – Member has issue regarding work on carport, invoice for owner to be prepared and reviewed by attorney
3. Payment Plan - tabled

Having no further business, the executive session adjourned at 4:20 p.m.