

MINUTES
FOURTH WALNUT CREEK MUTUAL
MONDAY, JULY 18, 2022 AT 1:30 P.M.
Via ZOOM

President Brown called to order a regular meeting of the Board of Directors of Fourth Walnut Creek Mutual at 1:30 p.m. on Monday, July 18, 2022.

ROLL CALL: PRESENT:	Linda Brown	President
	Sheldon Schwartz	Vice President
	Pamela Ovalle	Treasurer
	Janet Seldon	Secretary
	Jeff Spires	Director

ABSENT: None

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

Ms. Brown welcomed 10 residents in attendance.

APPROVAL OF CONSENT CALENDAR

The consent calendar consisted of:

Minutes: June 20, 2022: Regular Board Meeting

Ms. Brown asked for any additions or corrections to the minutes. Hearing none, Ms. Brown declared them approved.

A voice vote was taken. All Board responded aye.

RESIDENTS' FORUM

Resident thanked Ms. Brown for attending their entry meeting. Speed signs were discussed. Entry 10 would like "Slow down. This is our neighborhood." Entry members would pay for the signs.

Resident would like Entry 13 sign to have some reflectors on it.

Resident thanked whoever was responsible for removing dead tree. She would like it replaced.

Resident asked if Entry 3A can have a compost bin.

MANAGEMENT REPORT

Mr. Donner reported that MOD is moving into budget season. The June financials will be out tomorrow. This will be a difficult year with insurance rates and water increases. Mr. Donner explained what will happen with the deductible. The broker discussed an alternative risk transfer program. The deductible will be raised to \$5 million. They can buy another layer of insurance to cover the deductible. If there are no fires in 3 years, the money is returned. The penalty for late payment of property taxes has been forgiven. MOD will refund on a per door basis. GRF will refund about \$2.7 million to the Mutuals.

The GRF CEO, Tim O'Keefe, will retire in November of this year.

PRESIDENT'S REPORT

Ms. Brown reported that at the last Presidents Forum there was an insurance presentation. The presidents discussed accounting procedures.

Ms. Brown reported that the Mutual will try to get green bins in each entry.

Debby Hachen volunteered to be the Trash Committee chair. She and Carl Brown will put laminated posters in the trash enclosures. Mr. Brown will put a white powder under the green cans. It keeps the ants out.

TECHNOLOGY REPORT

No report.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Seldon reported that they had to remove a lot of trees. Redwoods are expensive to remove.

Ms. Seldon moved to approve the proposal from Hamilton Tree in the amount of \$16,045, pending permit approval from the City. Mr. Schwartz seconded and the motion carried without dissent.

A voice vote was taken: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes

Mr. Tawaststjerna provided the following report to the Board:

MOD Days

- 6/20 – 7/15 (15 total workdays) COMPLETED
 - o 450 yards of mulch spread
 - o 3 yards of cobble
 - o Total Cost = \$23,096.16
 - o Crew did not have time to remove lawn in Entry 8
 - Will remove and plant area in fall
- 10/24 – 10/31 (9 total workdays)
 - o Plant replacements
 - o Lawn removals
 - Apply to EBMUD for rebates

Landscape Maintenance

- Deadheading of perennials
- Pruning of overgrown shrubs
- Crews are mowing the lawns every week
- Weed removal by hand and herbicide spray

Tree Work

- Removal permits submitted for the following trees
 - o Magnolia at 1217 Skycrest
 - o Birch at Entry 3 Entrance
 - o 3 Redwoods at 1413 Skycrest
 - o Permits still pending

- Hamilton Tree Proposal
 - o Removal of trees above
 - o Total cost = \$16,045.00

Budget

- Landscape Rehab
 - o Total Budget - \$68,000.00
 - o YTD = \$54,286.16
 - o Remaining = \$13,713.84
- Tree Maintenance
 - o Total Budget - \$40,625.00
 - o YTD = \$25,300.00
 - o Remaining = \$15,325.00

BUILDING MAINTENANCE REPORT

Mr. West reported as follows:

INFORMATION ITEMS: Work scheduled in progress or completed.

1. Dryer Vent Cleaning – Contractor: Bay Air Flow to complete up to 286 units.

At \$65 Per unit. Total Price not to exceed \$18,590.00. Mutual will only pay for the number of units actually completed. This project is complete with the exception of the residents that were not home. Notices will go on the doors of these units with the contact information to schedule an appointment with Bay Air Flow. Total completed cleaning 233 units.
Minus 24 units on Tice Creek - 262 units with dryers leaving 29 units to be scheduled.

2. Roofing Project - This project will include the 7 Buildings remaining with Tar and Gravel Roof buildings in 4th mutual.
Included will be new DuroLast Material installed on the flat sections of the roofs.
Also new gutters and downspouts along with new tile to comp roofing.
Building included are: # 1109 SC / 1301 SC / 1509 SC / 1902 SC / 1910 SC / 2101 SC / 2105 SC.
Contractor: Frank Fiala Roofing - Original contract total \$368,328.00.
2021 Phase I Roofing Project completed Buildings #1301, #2105, and #1509.
For a Total cost of \$101,838.00.
Phase II - # 1109 SC / 1902 SC / 1910 SC / 2101 SC
For a Total cost of \$304,994.00
Due to Material, Insurance and Labor cost increases.
The new Total project cost to complete all 7 roofs - \$406,832.00

(Phase II is in progress).

3. 2144 TC - Replace broken sewer line. Cost \$4,800.00. 1429 SKY - Replace broken sewer line.

Cost \$ 10,950.00. Contractor: Five Star.

(Project is in progress but waiting for tree removal).

Senate Bill 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.

Deadline to complete these inspections is January 1st, 2025.

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

2021 Phase I Cost \$18,720.00

2022 Phase II Cost \$19,299.00

Phase I Inspections completed in August 2021.

Phase II Inspection scheduled for August 2022.

(Any reported findings will go out to bid for repairs).

4. 2021 Phase II / 2022 Phase III / 2023 Phase IV - Dry Rot and Touch Painting Project Contractor: MOD – Phase II includes Entry 11 and 15 Skycrest Dr.

2021 Building Carpentry and Supervision Budget for this Project is \$90,000.00.

The Board has approved a total of \$62,600.00 for 2021.

Breakdown of 2021 cost to-date: 2021 MOD Reserve Supervision and consultation

Cost \$ 11,975.00 / Painting Exterior – Cost \$20,715.00 / Carpentry

Exterior – Cost \$ 36,455.66

Total cost 69,145.66.

Additional Building and Balcony Dry Rot were discovered in additional locations.

(Phase II of this project is currently in progress. The final phases will be completed in 2024).

5. Interior Electrical Building and Unit panels inspections - Contractor: Sang Electric 4th Mutual has all GE Electrical Panels – No Zinsco Electrical panels have been found.

(This Project has been completed with the exception of residents that have not responded to door hanger notices).

6. Concrete Walkway replacement due to root displacement and tripping Hazards. 1217 Sky by #3-4. Cost \$2,660.00. / 1932 Sky by unit #1 Cost \$2,850.00 / 1932 Sky by Unit #2 Cost \$2,185.00.

Contractor: Five Star - Total Cost \$7,695.00

(Presented to the Board for approval)

Ms. Ovalle moved to ratify approval of the Five Star proposal in the amount of \$7,695 for concrete walkway replacement due to tripping hazards. Mr. Schwartz seconded

and the motion carried without dissent.

A voice vote was taken: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes

The Board discussed prices for a new trash enclosure at Entry 17. Mr. West had 3 proposals.

Ms. Ovalle moved to approve the proposal from MOD in the amount of \$6,889.50 to replace and extend the enclosure at Entry 17. Mr. Schwartz seconded and the motion carried without dissent.

A voice vote was taken: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

No report available.

EMERGENCY PREPAREDNESS

No report. Still looking for a chair.

COMMUNICATIONS

Ms. Ovalle reported that Rich Kinsey has done a great job getting Constant Contact up and running. They are getting a great response from residents.

Mr. Brown reported that Constant Contact has 2 types of permanent messages and notices. He would like to put long-term messages on the website.

POLICY COMMITTEE

Ms. Brown reported that there is nothing happening right now. Ms. Ward thinks that the Mutual should update their solar policy. It should be on a first come basis.

OFFICERS REPORTS

1. President: No report.
2. Vice President: No report.
3. Treasurer: Ms. Ovalle reported the following:
As of 5/31/2022 the YTD Reserve Fund Balance is \$2.4MM and YTD Mutual Operating Fund Balance is \$430K. Both the Operating and Reserve Fund on a YTD show and excess of Revenues over expenses; however, for the Month of May, Operating expenses exceed Revenues by an immaterial \$2.500. Utilities and Insurance expenses for the month exceeded budget driving this slight negative variance. On a YTD basis, Operating Expenses are within Budget despite a \$10K negative variance in insurance expense.

Receivables of \$97K are of some concern in that there is one account past due that totals \$31K and a number of smaller accounts that are 90 days past due. The Board is in the process of engaging a new collection company to address some of the more problematic past due accounts.

Mr. Schwartz stated the collection of outstanding debts is vital to the Mutual.

Mr. Schwartz moved to confirm compliance with civil code #5500 for the May financials. Ms. Seldon seconded and the motion carried without dissent.

Voice vote: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes

Ms. Ovalle moved to pay HOA Repay \$3,050 to terminate the relationship with them. Mr. Schwartz seconded and the motion carried without dissent.

A voice vote was taken: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes
Ms. Ovalle moved to use ASAP as the Mutual's collection company. Mr. Schwartz seconded and the motion carried without dissent.

A voice vote was taken: Brown-yes, Schwartz-yes, Ovalle-yes, Seldon-yes, Spires-yes
4. Secretary: No report.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENT

Annual Meeting – Thursday, August 4, 2022 at 2:00 p.m. – via ZOOM

ADJOURNMENT

Having no further business, the meeting adjourned at 3:08 p.m.



Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual

***The Board of Directors met in executive session on May 20, 2022 at 11:00 a.m. to discuss the following:

1. Legal – CC&Rs, Bylaws and Policies
2. Contracts – Roofing

Having no further business, the executive session adjourned at 12:29 p.m.