

MINUTES
FOURTH WALNUT CREEK MUTUAL
MONDAY, NOVEMBER 18, 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, November 18, 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 – Via Conference Call |
| | Carolee Perrich | Treasurer |
| | Sheldon Schwartz | Secretary |

ABSENT: None

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 8 residents in attendance.

APPROVAL OF CONSENT CALENDAR

Mr. Schwartz moved to approve the consent calendar with the minutes listed as follows: October 21, 2019 Regular Board Meeting and Executive Sessions as follows: October 21, 2019 and October 16, 2019. Ms. Perrich seconded and the motion carried without dissent.

BOARD APPOINTMENT

Ms. Swisher reported the current Board is delighted that a Mutual 4 Member has volunteered to fill the open Director position on the Board. The Board interviewed this individual and found she has an excellent background and insights needed to support Board duties needed to maintain Mutual 4 as a premier living environment for our residents.

Mr. Schwartz moved to appoint Pamela Ovale to the Board of Directors. Ms. Brown seconded and the motion carried without dissent.

Ms. Swisher reported the Board received written notification from Sheldon Schwartz on November 15, 2019 that he be relieved of the position of Secretary of the Board and instead be appointed as a Director At Large. The Board appreciates Sheldon's efforts as Secretary and understands his desire to step down from that position. Ms. Ovale indicated during discussions with the Board that she was willing to accept the position of Secretary.

Ms. Perrich moved to appoint Pamela Ovale to the position of Secretary and Mr. Schwartz as Director. Ms. Brown seconded and the motion carried without dissent.

RESIDENTS' FORUM

Resident asked if the Oak tree at E9 & E10 will be replaced. Ms. Pollon reported that she looked at the area. Evergreens that will spread out will be at the top of the slope. She will order 6 trees and can also fill in the area with some shrubs.

Another resident had the same issue.

MANAGEMENT REPORT

Mr. Donner reported that the insurance still hasn't been placed. It is not going that well. Lloyds of London has not submitted their cost. The estimate is that it could raise the increase to 23%. Republic drivers are having trouble locating the enclosures with composting bins in them. Signs will be posted on the enclosures to help guide the drivers. A green dot on the sign indicates there are composting bins there.

Mr. Schwartz wanted the minutes to note that he doesn't like the signage and is against them.

PRESIDENT'S REPORT

- As part of Ms. Swisher's report, she would like to share some of the information from the October President's Forum.
 - The Presidents discussed whether their Mutual had an electric vehicle charging policy for carports. The concern was that more electric vehicles are being brought into Rossmoor by residents and charging capabilities may not be available in carports due to infrastructure issues. The result of the discussion was that each Mutual faces unique concerns regarding charging in carports and installation of stand-alone charging stations can result in parking issues and costs not willing to be shared by non-EV owners.
 - Mutual 4 shared some of the unique requirements of their new solar policy versus other Mutual policies. Ms. Swisher explained these requirements were added to address safety concerns and ensure the installation of solar equipment did not negatively impact neighbors. Ms. Swisher also pointed out that the policy met all California Civil Codes even though it permitted the Mutual to require safety related modifications to solar alterations that exceeded the \$1000 limit specified in AB 634.
 - The Presidents discussed whether any Mutual had undertaken a foreclosure of member property. No one in the meeting had any knowledge of such an occurrence. Most Mutuals relied on liens to recoup monies owed by Mutual members.
 - Mutual 4 asked whether any Mutual had a policy that permitted hardwood or vinyl flooring in living rooms, bedrooms, and dens of second story units. Only two Mutuals said they had a policy permitting the installation. However, the flooring had to meet certain noise ratings. One Mutual only allowed installation of hardwood floors when they received an ADA variance. Davis-Stirling indicates that some accommodations must be made by an Association if an existing owner becomes disabled and needs different flooring. However, if the disability is the onset of allergies, the owner must also be reasonable since there are many hypoallergenic carpets and rugs.
 - Dennis Bell introduced Minh Phan, the new Securitas Site Manager. Mr. Phan provided some details of his background that included 29 years of

- police service and experience with various emergencies and evacuations.
- Tim O'Keefe discussed the process that he had to go through to finally get the problematic PG&E power pole on Golden Rain replaced. The whole process took over a year.
 - Dennis Bell, Paul Donner, and Tim O'Keefe discussed Securitas' and MOD's responses to the high wind events that occurred over the weekend. MOD had two tree crews ready on Sunday October 27 to respond to fallen trees. Landscape crews had also been directed to focus on cleaning up plant debris and small limbs rather than mowing or trimming activities.
 - Dennis Bell emphasized the importance of Rossmoor residents to sign up on Nixle to obtain public service announcements. Mutual 4 requested that another workshop on the revised Rossmoor Emergency Operations Plan be provided in the near future since many residents were unable to attend the previous workshops.
 - Paul Donner provided information on the new balcony inspection requirements enacted by Senate Bill 326. The Bill requires each Mutual to have their balconies inspected by a licensed structural engineer or architect every nine years. Inspections must be completed every nine years and the first inspection must be completed by the end of 2024.
 - Paul Donner discussed some of the implications of Senate Bill 323 that changes the Mutual election process. He indicated that the Law Office of Hughes -Cochrane was going to offer a contract to each Mutual to provide updated governance and supporting documentation needed to comply with the Bill. Mr. Donner was requested to ask Hughes-Cochrane to hold a special legal seminar about the effects of SB 323.

Ms. Swisher will be out of town when the next Presidents' Forum convenes on December 2. Sheldon Schwartz will attend the meeting in her absence.

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 almost two years.
- Started walking-down Entries #11 - #17 to identify major dry rot damage that may need to be added to the current replace/repair project.
- In response to an Alteration Request, completed a noise evaluation of a test composite floor in an upper level manor. Test cases included walking on the flooring with soft sole shoes, hard soled shoes, and boots, as well as using a cane and walker over the surface. Although the IIC or impact insulation class of the test materials met some of the highest standards on the market, the neighbor below was very displeased with the noise. Research is being done to find better underlayment and identify hypoallergenic carpets on the market.
- Continued to evaluate EBMUD water reports for Mutual 4 to identify evidence of major underground water leaks.

- Continued visual inspection of gutters on buildings in entries #10 through #17 Skycrest Drive to identify areas with major degradation. Researching potential new materials or techniques for repair/replacement.
- Responded to owner questions regarding potential alterations and structural issues.
- Continued the draft of the Mutual 4 electrical vehicle charging policy. The policy covers both the use of carport 110 outlets and owner installation of a charging station.
- 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. The Task Force is also in the process of obtaining electronic copies of the building drawings from City of Walnut Creek Building Division.

Activities Scheduled for Next Month:

- Continue ongoing activities listed above (drainage inspections, water reports, dry rot inspections, etc.).
- Complete update of water pressure and leak test procedure. This testing has become a priority because some Mutual 4 buildings do not have water pressure regulators or likely have failed regulators.
- Meet with MOD Building Maintenance to review current open work orders to determine whether any can be closed or cancelled.

Open Items:

- None

TASK FORCE ON PARKING

- This Task Force is currently idle since there are no outstanding issues.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Pollon read her report as follows:

FALL 2019 MAINTENANCE REPORT

As the weather cools and the day lengths shorten irrigation will become less frequent even if the warm weather continues.

Residents can look forward to the fall colors of Red Maples, Liquidambar, Pistache trees, and Nyssas.

LAWN MAINTENANCE Lawns will be over seeded between October 1st and November 15th.

WATER USE As temperatures decrease and day lengths shorten, irrigation use will decline.

ENTRY MAINTENANCE Entry maintenance crews will finish summer pruning tasks and start transitioning to fall cleanup.

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

Annual Budget \$63,000
Remaining budget is ~ \$37,000

MOD WORK DAYS

Fall work has begun. Plans are to remove juniper within defensible spaces throughout the mutual and install cobble next to buildings where soil was removed (where possible). A few other small replanting projects will also take place including replacement plants where a spruce tree was removed adjacent to 2105 #1. Costs TBD.

TREE REPORT

Annual Budget \$35,000
Remaining Budget is ~ \$10,000

IRRIGATION REPORT

Annual Budget \$8,000
Remaining Budget ~7,200

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

FIRE ABATEMENT GRANT WAS OFFICIALLY ACCEPTED! THE PAPERWORK IS IN PROCESS

Ms. Pollon reported that blowing will be done every week, but they don't collect the leaves every week. If everything isn't completed, they will come back for 1-2 weeks in January.

Ms. Swisher received a request to trim the crepe myrtle trees behind 1109 Skycrest Drive #3. She asked Ms. Pollon to determine whether these trees were included in the most recent tree trimming and if not, to let her know when they can be scheduled for trimming. Apparently, they have been overlooked in previous years.

Ms. Pollon reported that the resident wants it trimmed for view purposes. Since Ms. Swisher told the resident it would be done, Ms. Pollon will have it trimmed in January.

BUILDING MAINTENANCE REPORT

Mr. West reported the following:

PENDING ITEMS: Proposal review for Approval

1. Sewer line drain annual preventive snaking. Five Star to present a bid to complete ten buildings per month for \$2,100.00. (2 clean-outs per building) Additional estimate will be sent to the board to install a cleanout as needed.

Mr. Schwartz moved to approve the bid from Five Star in the amount of \$25,200 to include 10 clean outs per month, not 10 buildings per month, auger 50 feet in each direction and to camera each line for breaks and roots. Ms. Perrich seconded and the motion carried without dissent.

2. 2109 SC #7 – Rear Deck Excel Coating – Contractor: Perfect Painting. Estimate \$5,698.00 A-One proposal is \$5,396.

Mr. Schwartz moved to approve the proposal from A-One in the amount of \$5,396. Ms. Perrich seconded and the motion carried without dissent.

INFORMATION ITEMS: Work in progress or completed.

3. 2019/2020 Phase II Dry Rot and Painting Project – Contractor: MOD
This project will include repairs and paint to 18 Buildings and 12 Carports.
This will include entries 10 and 11 Skycrest Dr.
The Board has approved NTE \$32,600.00 to complete entry 10 first.
(Work scheduled to start beginning of December).
Total YTD Costs - Carpentry rehab \$158,614 Balcony rehab \$29,167
Paint \$20,600.
4. Interior electrical building and unit panels inspections - Contractor: Sang Electric
(scheduled to start in mid-November).
5. Installing new Main Line Galv. to Copper piping on seven G – 11 Buildings.
Contractor: Davis Plumbing – 1509 SC completed / 1901 SC schedule to begin on November 18th. (Project is in progress).
6. 1149 SC # 4 – New Drainage System at back patio. Contractor: Five Star cost \$1,175.00.

(Work has been completed).

7. 2152 TC #1 – Toilet water supply line burst. Resident billable damage to units # 1 & # 2.
(Mutual property damage work has been completed). #2 should be billed to #1.
8. 1910 SC #6 - Sewer Drain line back up. Manor damage, Mutual billable.
(Mutual property damage work has been completed).

Mr. Schwarz moved to approve the work in the amount of \$8,062.64. Ms. Perrich seconded and the motion carried without dissent.

Ms. Swisher reported that she knows the low water issue in the kitchen and master bath at 1509 Skycrest Drive #2 has been fixed. She asked what did Joe Davis do to fix the problem (e.g. only change inline hardware, blew high pressure water through lines, change filters, etc.)? Mr. West will send any additional information to her.

Ms. Swisher asked Mr. West if Davis Plumbing or MOD is checking water flow in the manors after the re-piping? If there is still low flow, the next step is to clean-out or replace the angle stops and plumber's nipples, and potentially blow out the vertical galvanized pipes with high pressure water or air. However, the Board needs to be notified of work performed outside the current contract if it exceeds \$500. Mr. West reported that Daniel will check if he gets a call.

Ms. Swisher asked what the status is for the ACS roofing contract for 1401 Skycrest Drive. Mr. West reported that it will be starting today and is to be completed on November 29.

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

Ms. Swisher reported the following:

- Alterations Updates - Resident alteration requests covering the period 05/01/2019 to 10/31/2019 include:
 - 16 alterations were approved by the Board and are in progress.
 - 24 alterations were completed.
 - 2 alterations required clarification by the Board before approval.
- Compliance Updates
 - No compliance issues were identified in any of the above approved alterations.

EMERGENCY PREPAREDNESS COMMITTEE

Steve Adza reported that there is an Emergency Operation Plan update. Denis Bell will do a presentation tomorrow in the Fireside Room at 2:00 p.m. It discusses expanded

participation by GRF senior staff. Rossmoor is split into 8 zones. It includes the Trust buildings. It doesn't seem to change entry coordinator responsibilities.

COMMUNICATIONS COMMITTEE

Mr. Brown reported via telephone that he has not done anything on the newsletter yet. He would like to add security to the website. He would like to hold off until GRF does their site. Ms. Swisher passed out a list to the Board for articles she will write for the newsletter and will send to Carl.

POLICY COMMITTEE

A. Status Updates

- Ms. Swisher reported that since the Board Director previously designated as Chairperson of the Policy Committee is no longer on the Board, she will provide the report on behalf of the Committee:
 - Work on the new electric vehicle charging policy is underway.
 - There are still open items regarding golfport usage, rent, and ownership. This is still being researched to update the Mutual Policy.
 - The policy on fines needs to be updated to be in compliance with Davis-Stirling. This remains an open item.

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 2 months by her per the requirements of the Board to ensure financial disclosure in the meeting minutes. These include:
 - Steve Adza for \$175.00 for miscellaneous October expenses.
 - Nice Cans for \$176.40 for September cleaning of the compost bins.
 - Nice Cans for \$176.40 for October cleaning of the compost bins.
 - Porter & Lasiewicz CPAs for \$3,200 for 2019 Audit and Tax Service.
 - AMAC for \$4,997.00 for put back work at 2152 Tice Creek Drive #1 resulting from a leaking water hose in the manor. This cost will be passed on to the manor owner.
 - Five Star for \$950.00 to repair concrete sidewalk at 2100 Skycrest Drive.
 - Five Star for \$3,875.00 to repair concrete sidewalk at 2137 Skycrest Drive.
 - AMAC for \$2,598.00 for put back work at 2152 Tice Creek Drive #2 resulting from a leaking water hose in manor #1. This cost will be passed on to the owner of manor #1.
- The Board received a privileged communication from our attorneys regarding services they offer to ensure Mutual 4 complies with Senate Bill 323. This bill impacts our Mutual governance regarding elections and goes into effect January 1, 2020. Ms. Swisher will provide each Director

with a copy of the attorney information for your review. The Board needs to make a decision no later than the December 11, 2019 Executive Session regarding the desired attorney support.

- Just a reminder that Dennis Bell is giving a presentation on the Rossmoor Emergency Operations Plan November 19 at 2 PM in the Fireside Room. If you missed his previous presentations, please try to attend this session.
2. Vice President: No report.
 3. Treasurer: Ms. Perrich gave the Treasurer's report. Based on the Financial Report, as of 9/30/2019, the YTD Reserve Fund ending balance is \$1,560,942 and the YTD Mutual Operating Fund balance is \$66,393. The Reserve Fund shows a deficiency of revenue over expenses of \$2,405 for the month of September and excess of the YTD of \$9,302. The Operating Fund shows a deficiency of revenue over expenses of \$18,093 for September and an excess of \$2,086 for YTD. During September, we had expenditures in Insurance, Utilities, Custodial Services, and Other General and Administration that were higher than budgeted. Expenditures in Building Main & Public Works, Landscape Maintenance, and Professional Services were lower than budgeted. Based on the Financial Report, as of 10/31/2019, the YTD Reserve Fund ending balance is \$1,580,528 and the YTD Mutual Operating Fund balance is \$65,572. The Reserve Fund shows an excess of Revenue over expenses of \$19,586 for the month of October and an excess for YTD of \$28,888. The Operating Fund shows a deficiency of Revenues over expenses of \$822 for October and an excess of \$1,264 for YTD. During October, we had expenditures in Building Maintenance and Public Works, Custodial Services, and Insurance that were higher than budgeted. Expenditures in Landscape Maintenance, Utilities, Professional Services, and Other General and Administration were lower than budgeted.
Mr. Schwartz moved to certify the Board's compliance with Civil Code Section 5500. Ms. Perrich seconded and the motion carried without dissent.
 4. Secretary: Being newly appointed, no report.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENT

The next meeting is the Regular Meeting scheduled for Monday, January 20, 2020 at 1:30 p.m. in the Board Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:23 p.m.



Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual

***The Board of Directors met in executive session on October 16, 2019 at 1:05 p.m. to discuss the following:

1. Personnel
2. Legal – Flippers on Board
3. Contracts – Re-Piping, Re-roofing, Preventative Drainage Line Clean-Out
4. Member Compliance – Billing for carport work, Payments following bankruptcy
5. Payment Plans – Acceptance of plan for 7 year outstanding debt, Lien on property, Discussed Foreclosure

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

***The Board of Directors met in executive session on October 21, 2019 at 3:30 p.m. to discuss the following:

1. Personnel

Having no further business, the executive session adjourned at 4:45 p.m.