

MINUTES
FOURTH WALNUT CREEK MUTUAL
MONDAY, JANUARY 18, 2016 AT 1:30 P.M.
BOARD ROOM – GATEWAY

President Cardinal called to order a regular meeting of the Board of Directors of Fourth Walnut Creek Mutual at 1:30 p.m. on Monday, January 18, 2016 in the Board Room at Gateway complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: PRESENT:	Donald Cardinal	President
	Sara Seltzer	Vice President
	Mike Leinbach	Treasurer
	Nancy Partovi	Secretary
	Pauline Kelzer	Director

EXCUSED: None

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

Mr. Cardinal welcomed eighteen residents in attendance.

APPROVAL OF MINUTES

Mr. Leinbach moved to approve the minutes of the regular session Board meeting of November 16, 2016. Ms. Seltzer seconded and the motion carried without dissent.

RESIDENTS' FORUM

Dulcie Andres – Ms. Andres had some questions about fencing next to her unit. The resident of that unit reported that the wood fence will be removed. Ms. Andres wanted to know how to get an asphalt project scheduled for driveways and streets. Ms. Seltzer and Mr. West will talk about it. Tree roots are a big part of this problem.

Ms. Andres thanked the Board for the river rock and said it looks beautiful.

Sheila Gorsuch – Ms. Gorsuch discussed a roof leak stating that there was a tear in the kitchen ceiling. Mr. West reported that a work order was sent in this morning.

Linda Brown – Ms. Brown reported that she thinks the landscaping in the back of her unit is too sparse. Ms. Seltzer said they will look at it on the next landscape walk-through in February.

Marlene Englund – Ms. Englund reported that the sidewalk from E8 to E7 has a slope to it that seems to pull people backwards. Mr. West will look at it and other areas. Ms. Englund also reported uneven concrete on the sidewalk as a trip hazard inside E-7 for which a work order will be generated.

ENTRY REPRESENTATIVE'S REPORTS

None

MANAGEMENT REPORT: Paul Donner

Mr. Donner reported that he has been asked why the coupon went up. He explained that the Mutual portion of the coupon is \$21.64 of which \$18.00 is for working capital. MOD recommends that the Mutuals have 2 months of operating expenses or insurance premium payments available. Currently, the working capital is at \$50,000, but the insurance premium is \$89,000. Bills don't always come through on a monthly basis. The working capital will grow and next year, if all goes as planned, the \$18.00 increase can come off or be used where needed.

Mr. Donner reported that he has asked Hughes, Gill, and Cochrane to do a legal seminar for the Board members.

PRESIDENT'S REPORT: Don Cardinal

Mr. Cardinal reported that MOD's billable rates were discussed. The current rate is \$70.00 per hour and MOD will hold that rate for this year. Water consumption was also discussed. As an aside, Mr. Cardinal reported to the membership that the Mutual has cut back and at a minimum, we need to stay at the mandatory 25% cutback. Solar panels were addressed during the forum. There is a need to have each owner in the building agree. Fourth Mutual will look into this in the near future. The insurance was discussed. There is a Mutual-Shared Deductible of \$100,000. Ten thousand is paid by the Mutual where the event happened. The remaining \$90,000 is shared among all of the Mutuals. HUD/FHA will no longer do any financing in Rossmoor because of the \$9,000 transfer fee. They feel the fee is not part of the property and shouldn't be part of the loan.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE:

Ms. Seltzer reported that last year was good for landscaping. Volunteers were very helpful. She really appreciates their input. The landscape walk-through will be on January 27 at 8:30 beginning on E17-Skycrest. There will be a follow-up date in February. There is still a water shortage and this will influence the choices in landscaping. The Board will be addressing encroachments. The Board is currently updating the policies. All comments are welcome.

Mr. Perona reported that he will be attending a landscape seminar in Sacramento. Over 90% of California is in an extreme drought. EBMUD will keep restrictions in place. The ice pack is the lowest experienced in 500 years. Conservation will be a way of life. Rossmoor is 38% below what we were in 2013. \$20,000 in rebates is still available. For 2016, the Mutual should look at reducing or removing lawns. There will be minimal planting and bark installation.

BUILDING MAINTENANCE REPORT

Mr. West reported the following:

Work in progress:

1. Carport LED Jelly Jar Lights – Sang Electric's Original contract was for 89 Lts @ \$125 ea. Cost \$11,130.00. An additional 56 Lights were missed on the Helsing Report. Actual total Lts. 145. Sang has completed 106. Change Order for \$4,875.00 for remaining 39 Light fixtures. (presented to the Board).

Ms. Seltzer moved to approve the change order from Sang Electric in the amount of \$4,875 for the remaining 39 light fixtures. Mr. Leinbach seconded and the motion carried without dissent.

2. 1817 SC #5 – Roof Leak around drain caused damage to master bedroom ceiling. ServPro conducting Mold Remediation. Put back estimates (Presented to the Board).
3. 1902 SC #2 - #1 Leaking into #2 Cause bad toilet wax ring. ServPro cleanup in #1 ongoing. (Insurance)
4. 2016 Roofing Project going out to bid. Building #2116 and 8 carports. Budget \$107,000.
5. 2120 TC #1 Sewer back up. Tree roots cleared from drain. Clean up conducted by ServPro. (on going). nbn

Follow- up:

1. 2128 TC – Waiting for Bertolami Structural Engineering to send scope to put out to bid.
2. Entry 10 new trash enclosure fence – Mutual to split cost with Waraner -Five Star scheduled to start work. Cost \$1,525.00. (Completed).
3. 1833 SC #3 – ServPro disinfectant cleaning. Cost \$500.00. (Completed).
4. 1413 SC #2 – Back patio slab heaving and effecting slider threshold. AMAC cost \$5,590. (Completed).
5. 1149 SC #4 - Five Star Estimate \$2,730.00 for additional work requested. (Deferred).
 - The Board will review.
6. 2128 TC #2 – Leak at ceiling drain pipe above shower causing damage. Check request \$1,565.00 (Completed).

Ms. Kelzer reported that 1902 Skycrest #1 does not have a lease and has been a troubled unit. Mr. Cardinal reported that the Board should send a letter to the owner.

It was reported that 1957 Skycrest #1 has a ceiling crack and there has been some displacement. The building has had some structural movement and the ceiling dropped 2 inches.

Ms. Seltzer moved to approve the proposal from Five Star in the amount of \$1,690 to repair. Mr. Leinbach seconded and the motion carried without dissent.

1309 Skycrest, E7 needs to have 30 square feet of concrete sidewalk removed and replaced.

Mr. Leinbach moved to approve the proposal from Five Star in the amount of \$750. Ms. Kelzer seconded and the motion carried without dissent.

Mr. West presented the Board with a proposal from Five Star in the amount of \$2,730. The Board has deferred the proposal while they review it.

Ms. Kelzer reported that 2013 Skycrest, #4 is a recent resale, is being remodeled, with work also being done on the outside (stucco, roof rail, etc.). She asked for a compliance inspection. Don Cardinal and Rick West will check the exterior work.

ARCHITECTURAL CONTROL AND ALTERATIONS: COMPLIANCE:

Mr. Cardinal reported that YTD, there were 40 completions, 39 processed and 28 permits issued.

EMERGENCY PREPAREDNESS COMMITTEE

Mr. Adza reported that on January 19 there will be the regular EPO meeting in the Fairway Room at Creekside from 10-noon. All members are welcome. Potential terrorism will be discussed. Mr. Adza has started a drainage information binder for each of the 15 Fourth Mutual entries. He has a list of the entries with black corrugated pipe for drains. Mr. Adza provided a report with recommendations for improved drainage and water control. He would like to see the Board motion to adopt a RPM (Routine Preventative Maintenance) program created for all drain systems in Fourth Mutual.

COMMUNICATIONS COMMITTEE

Ms. Partovi reported that the newsletter is in process. The Board thanked Ms. Buonaccorsi for all of her work and efforts.

Carl Brown reported that there have been no building or landscape reports to post on the website since 2012. It was decided that Diane Buonaccorsi can include an article in the newsletter asking people what they would like to see posted on the website.

POLICY COMMITTEE

Ms. Partovi reported that the Board is meeting twice monthly to review the policies. They are moving very quickly.

OFFICERS REPORTS

1. President's Report: None
2. Vice President: Ms. Seltzer asked when the Board can implement an RPM (Routine Preventative Maintenance) program. Mr. Cardinal responded that they will need to look at the budget because if they inspect anything a repair may be necessary.
3. Treasurer: Mr. Leinbach reported that the December year-end financials were not available yet.
4. Secretary: No report.

UNFINISHED BUSINESS

Ms. Kelzer asked if the E7 landscape “stop work” order has been rescinded. Mr. Cardinal reported that it has not been rescinded to date. Ms. Seltzer and Mr. Cardinal will look at the triangle area.

NEW BUSINESS

The Board reported that the insurance is paid all-at-once, so money will need to be moved from the reserves to the operating fund.

Mr. Leinbach moved to borrow money from the reserve account in the amount of \$80,000 to pay for the insurance and to pay it back by the end of the year. Ms. Seltzer seconded and the motion carried without dissent.

ANNOUNCEMENT

The next regular board meeting is scheduled for February 16, 2016 at 1:30 p.m. in the Board Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:10 p.m.

/s/

Nancy Partovi, Secretary
Fourth Walnut Creek Mutual