

MINUTES  
FOURTH WALNUT CREEK MUTUAL

EIGHTEENTH ANNUAL MEETING OF THE MEMBERS  
THURSDAY, AUGUST 2, 2018 AT 4:00 P.M.  
FIRESIDE ROOM – GATEWAY COMPLEX

The Eighteenth Annual Meeting of Members was convened by President Vicki Swisher on Thursday, August 2, 2018 at 4:00 p.m. in the Fireside Room, Gateway Complex, 1001 Golden Rain Road, Rossmoor, Walnut Creek, California.

ROLL CALL: PRESENT: Vicki Swisher           President  
                          Judy Becker           Vice President  
                          Kate Williams        Treasurer/Sec  
                          Sheldon Schwartz    Director  
                          Eva Angvert Harren  Director

ABSENT:                   None

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

President Vicki Swisher introduced the Board and welcomed the residents in attendance.

It was determined that a quorum was reached, with 145 residents present. Representation by 58 member households was needed for a quorum.

CERTIFICATION OF NOTICE OF MEETING

Secretary Anne Paone certified that notice of the annual membership meeting was published in the *Rossmoor News* on May 23, May 30 and June 6 and a notice was mailed to the membership in accordance with Article 4, Section 4.3 of the Bylaws of the corporation.

APPROVAL OF THE MINUTES

President Swisher asked for any corrections or additions to the last Annual Membership Meeting held on August 10, 2017. Hearing none, she declared them approved as written and reviewed. She then asked if there were any corrections or additions to the minutes of the Organizational Meeting of August 10, 2017. Hearing none, she declared them approved as written and reviewed.

ELECTION RESULTS

There were two positions on the Board of Directors in this year's election. Incumbents Eva Angvert Harren and Kate Williams submitted their candidacy statement by the deadline of June 21, 2018 and were determined eligible to run. No other candidates

came forward.

Pursuant to Section 6.3 of the Bylaws, they were declared elected by acclamation of the membership.

### SUMMARY OF YEAR'S ACTIVITIES

- Building Maintenance
- Technology and Preventive Maintenance Task Force
- Landscape and Grounds
- Policy Revisions
- Communications

Ms. Swisher gave her report as follows:

This year the Board has decided to dedicate the majority of the Mutual 4 Annual Meeting to the Members Forum to permit you, the residents of Mutual 4, a better opportunity to address the Board with questions and comments. As a result, all of the usual Committee Reports have been consolidated into a Yearly Summary of their most significant activities. It is my pleasure, as your President, to provide this summary.

The past 12 months have proven to be both challenging and rewarding in regards to committee activities. Building Maintenance has been at the forefront of all of the Mutual's major projects. At the time of our last Annual Meeting, Building Maintenance was in the process of tackling 3 building leveling projects at 2128 Tice Creek, 1605 Skycrest Drive, and 1609 Skycrest Drive. Each of these projects presented MOD Building Maintenance and the Board with decisions regarding structural improvements and plumbing modifications needed to meet building codes. I am pleased to announce that work on all 3 buildings is completed.

Another challenge encountered by MOD Building Maintenance and the Board was the reduction in water flow and water pressure in some of the buildings. This has typically been caused by a build-up of mineral deposits in the steel domestic water lines that are present in a few of our buildings. The largest project to-date was the complete re-plumbing of the domestic water lines in building 1909 from steel to copper. This impacted a total of 12 manors.

The final large building maintenance project for the year is currently underway. All of the roofs on the manor buildings and attached carports in Entry #10 are being re-surfaced with new Dura-Last roof material. This project was scheduled as part of our Reserve Study Plan that monitors and recommends when large components such as roofing, exterior painting, asphalt, concrete, and drainage are likely to need replacement. The roofing work in Entry #10 should be completed in the next 8 weeks.

Shortly after the 2017 Annual Board meeting, The Mutual 4 Board created a Technology and Preventive Maintenance Task Force. The primary objectives of this task force are to:

- Identify and implement technical innovations that will benefit residents of the Fourth Mutual and reduce costs.
- Develop a preventive maintenance program that identifies and resolves small problems before becoming major failures and costly repairs to the residents of the Fourth Mutual.

The Task Force has been very busy during the past year meeting these objectives. The following is a list of some of the technology initiatives underway:

- Researching gutter liner material to be used on gutters showing signs of rust and splitting seams. This is potentially much less expensive than installing new gutters.
- Researching alternate roofing materials to increase warranty and lifetime of future roofing projects.
- Planning installation of PVC vinyl doors on one of the more degraded trash enclosures to determine viability for future trash enclosure repairs.

The following is a list of some of the preventive maintenance initiatives completed or underway:

- Installed gutter strainers and downspout leaf diverters at problem locations.
- Prepared a procedure, in conjunction with MOD Building Maintenance to test domestic water lines for low flow, under slab pipe leaks, and adequacy of pressure regulator for each building in Mutual 4. The first use of this procedure should commence in August.
- Continuously evaluating EBMUD monthly water reports for Mutual 4 to identify evidence of major underground water leaks. Any process that we can implement for determining water loss can save enormous monies to the Mutual. A single continuous water leak of 1 cup per minute costs approximately \$800/month.
- Developed an alterations spreadsheet to keep track of Board sanctioned structural, electrical, and plumbing modifications that could impact future work.
- Cleared debris from approximately 330 catch basins and associated drain pipes and installed ¼ inch wire mesh under the grates to stop debris from entering the catch basins and subsequently re-plugging the drainage pipes. I'd like to take this opportunity to thank Steve Adza for all of his work in completing this enormous undertaking.

The Landscape committee has been very productive during the past year. Not only is it the job of landscaping to beautify our common areas, but considerations must also be given to erosion control, drainage, and fire abatement. Major projects undertaken during the past year included:

- Complete re-planting of the hillside at Golden Rain and Skycrest.
- Complete re-landscaping of the common area next to building 1801 in Entry #11 as a result of needing to remove trees whose roots were demolishing the walkways in front of the building.
- Replacing the common area lawn behind building 1233 entry #3A with pebbles to conserve water and provide a more economical resolution to a major drainage issue that was causing water to pool next to the building during each rain storm.
- Implementing landscaping on various hillsides for erosion control. The final erosion control project for this year has just been approved by the Board for the hillside between entries #3 and #7 on Skycrest Drive.

The Policy Committee has expended numerous hours over the past few months to continue the efforts done by the previous two Boards to upgrade the existing Mutual 4 policies. It is the goal of the committee to have a portion of the policies out for review to the Mutual members before the end of the year. Many changes to the California civil codes for HOAs, better known to most of you as the Davis-Stirling Act, have required numerous updates to the policies to make them current with California law. The Policy Committee is also working with the Technology Task Force to prepare comprehensive solar and electric vehicle

charging policies for future implementation.

The Communications Committee has continued throughout the year to prepare and distribute the quarterly Go Fourth newsletter to each Mutual 4 resident. The purpose of the newsletter is to provide information on Board activities, as well as, topics current to GRF and Walnut Creek that may impact the Mutual such as emergency preparedness, fire safety, and identity theft. The Communication Committee is also working to regularly update the Mutual 4 website. Another initiative that the Communication Committee has implemented is having a committee member or Board Director meet with new residents at their "Alterations Meeting" in MOD. This enables the Mutual 4 representative to provide an overview of the policies and operation of the HOA and allows new residents to ask specific questions about Mutual 4. To-date this has proven to be a very worthwhile investment of time by the Committee and the Board, and has enabled us to cordially introduce our new residents to their new home.

In addition to these 5 committees, we also have individuals supporting the parking committee, emergency preparedness, and architectural control.

I want to take this opportunity to thanks all of the committees for their excellent support.

### TREASURER'S REPORT

Ms. Williams reported that at mid-year, we are in good shape financially. Half of the year is over and we have spent about half of our operating Budget. At this point, we have spent less than half of the amount budgeted from the Reserve Fund. We have a roofing project underway in Entry 10 that will be paid from Reserves in the second half of the year.

The Special Assessment of \$3,500 per manor adds \$1,001,000 to our Reserve Fund, which is used to rehabilitate and replace major components and to meet emergencies. The Mutual is collecting this over two years, 2018 and 2019. To date, two-thirds of the Special Assessment has been paid - \$660,150. We currently have \$1.6 million in the Reserve Fund. We will begin work this month on the 2019 budget.

### MEMBERS' FORUM

A resident asked about asked about the Mutual's insurance for fire. The concern was why everyone has to pay for other people's carelessness such as the BBQ and cigarette smoking fires. Mr. Donner reported the insurance rates will go up. It is placed in December, so the exact amount is not known when the budget is created. Regarding the smoking, the insurance company may or may not subrogate to the owner's insurance.

A resident asked how she will know when her building is scheduled for maintenance. Ms. Swisher stated that major items are listed on the Helsing report. The Board evaluates what and when an item needs to be done. Mr. West reported there is a 10-year spreadsheet which is used as a plan. The Board reviews it to see what projects need to be addressed. Helsing is a 30-year plan.

A resident stated that his unit has not had water pipe repairs. Units that have major water pressure problems were done.

A resident asked why the water pressure is lower in the evening. Ms. Pollon reported that domestic and irrigation lines go on at the same time in the evening.

A resident stated that this Board is really appreciated. She would like to see some diversity. People have different tastes and may like different flowers. Ms. Swisher replied

that it is difficult to make everyone happy. Some residents were asked to move objects that were placed on common area ground. They can be a safety issue when escape routes are needed. Many changes are related to water usage. Similar plants are planted in similar areas because they require the same amount of water. Ms. Pollon reported that plant selection is limited because deer eat everything.

The same resident was concerned about bullying. She believes the Board needs to protect the membership. Ms. Swisher replied that it is the job of the Board to make sure there is no harassment. The Board needs to be notified and this can be done in an executive session.

A resident reported sprinklers watering dead grass. Ms. Pollon asked that she call the work order desk to report it.

A resident thought it might be a good idea to have a chat board for the Mutual. Lost pets could be reported on it. She is willing to participate. Ms. Swisher reported that Fourth Mutual has its own website. They are trying to update it. There is always a cost, but they will try to put a more concerted effort into it.

A resident asked about rental restrictions and barbecues. Ms. Swisher reported that the Mutual has few rentals. The senior living rules apply and the person needs to be 55 or older.

The Mutual is working on a barbecue policy. It will state that propane or electric may be used. It will be restricted to electric if within 5-6 feet of any wood. The barbecue cannot sit on wood. Members will have a chance to review the policy.

A resident inquired about his water pressure because it is low all of the time. Ms. Swisher stated that mineral deposits may block the line. Mr. West advised him to call the work order desk and someone can go out and do a pressure check. Another question was about electric vehicles that require 220 volts and who pays for this? Ms. Swisher reported that the resident pays for it. PG&E has installed some at the Gateway and Stanley Dollar Clubhouses. Fourth Mutual doesn't have 10 continuous spaces available, so the Mutual couldn't take advantage of PG&E's offer.

A resident asked about solar panels that are built into the shingle. Ms. Swisher stated that they are working on a solar policy. Members can use the roof with guidelines.

A resident inquired about earthquake insurance. Ms. Swisher reported that there is no earthquake insurance for the Mutual buildings.

Ms. Swisher announced that next Board meeting will be held on Monday, September 17, 2018 at 1:30 p.m. in the Board Room at Gateway.

### ADJOURNMENT

Having no further business, the Eighteenth Annual Meeting of Members adjourned at 5:05 p.m.

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/s/ Anne Paone, Assistant Secretary  
Fourth Walnut Creek Mutual