



Walnut Creek Mutual Fifty (Mutual 50)

**BOARD MEETING MINUTES
TUESDAY, AUGUST 16th, 2022, AT 10:00 A.M.
FAIRWAY ROOM – CREEKSIDE
1010 STANLEY DOLLAR DR – WALNUT CREEK, CA 94595**

Call to Order

President Landeros called the Regular Meeting of the Board to order at 10:01 a.m.

Directors Present

Donna Landeros, President
Rich Johnstone, Treasurer Joan Schwanz, Secretary

Also Present

Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Clayton Clark, building Maintenance Manager; John Tawaststjerna, Landscape Manager and Lucy Limon, Board Services Coordinator.

Members Forum

Residents were afforded the opportunity to express their general concerns and make comments.

No comments.

Approval of Meeting Minutes

President Landeros asked if there were any additions or corrections to the following sets minutes:

- a. Regular Meeting Minutes July 19th, 2022
- b. Executive Meeting Minutes July 18th, 2022
- c. Executive Meeting Minutes August 2nd, 2022

A motion was made to approve the above sets of minutes.

Moved, Seconded, Carried 3-0

President’s Report

President Landeros reported on the Administrative Procedure for Alleged Violations of Governing Documents. This document is also posted on the Mutual 50 Rossmoor website under useful information.

A motion was made to approve the Administrative Procedure for Alleged Violations of Governing Documents as drafted by legal counsel.

Moved, Seconded, Carried 3-0

Secretarial Report

No report was given.

Treasurers Report

Rich Johnstone gave the following report:

Operating Fund

- 1) Used for routine payments, such as building and landscape maintenance, insurance, utilities, and professional services.
- 2) As of June 30, Operating expenses were 50% of the 2022 budget.
- 3) As of June 30, the Operating Fund was \$168,701, a decrease of \$264 from December 31.
- 4) Significant June expenses:
 - a) Rain leaks: \$2,552 in June. \$20,609 for January-June 2022. \$10,990 for all of 2021.

Reserve Fund

- 1) Used mainly to pay for capital improvements in the current year and to fund capital improvements in future years
- 2) As of June 30, Reserve expenses were 11% of the 2022 budget.
- 3) As of June 30, the Reserve Fund was \$993,282, a \$175,441 increase over December 31.
- 4) Significant June expenses:
 - a) Other Professional Services: \$3,768 as the second payment to Avelar for the roof assessment. A total of \$7,139 has been paid to Avelar compared to a budget of \$9,560.

Bank Accounts

- 1) Mutual 50 has two checking accounts at City National Bank (CNB): One for Operating funds and the other for Reserve funds. In addition, there are two checking accounts for Project 50: One for Operating funds and the other for Reserve funds. CNB has informed the Accounting & Finance department that M50 and P50 each have \$250,000 in FDIC insurance, for a total of \$500,000.
- 2) As of June 30, the combined balance of the M50 checking accounts was \$37,845. The combined balance of the P50 checking accounts was \$161,421.
- 3) The remaining M50/P50 balances were \$986,854 in Reserve funds deposited in CNB Deposit Sweep accounts, which were 100% covered by FDIC insurance.

2023 Renewal of GRF Property Insurance (applies to Mutual 50 and most other mutuals)

- 1) Total GRF insured value will increase by \$294 million (20%) from \$1.471 billion to \$1.765 billion. This increase is related to concerns about the current inflationary environment, supply chain challenges, and labor shortages. The 20% increase in insured value will increase 2023 premiums by 20%.
 - 2) The GRF insurance broker is estimating an additional 35% increase in 2023 premiums based on other customers who renewed their insurance effective
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7/1/2022. The actual increase will be confirmed in December when the GRF insurance renewal is finalized.

- 3) The current lead property underwriter will no longer allow a \$250,000 deductible; instead, they would require a \$1 million deductible. As a result, GRF will probably select new insurance for the first \$5 million of coverage and this insurance would allow a \$250,000 deductible. The new insurance would be for 3 years and have a fixed premium.

- i. Motion to certify compliance with Civil Code 5500 by review of the June 30th, 2022, Financial Report.

Moved, Seconded, Carried 3-0

Committee Reports

Buildings and Facilities

Rich Johnstone gave the following report:

Update on Roof Tune-Up for 5333 Building

- a) The tune-up has been delayed because the MOD roofing consultant has COVID. As soon as he is off quarantine, the consultant and two MOD roofers will conduct the tune-up.
- b) They will identify roof locations where problems occurred and the condo model below the problem area. They will take before and after photos of the roof, which will be included in the tune-up report.
- c) The tune-up cost should not exceed \$4,000 and should be completed in August.

Update on Replacement of Exterior Light Fixtures

- a) For the demonstration project, all seven LED light fixtures originally installed at the 5521-building used 4000K lights. These lights are too bright and will be replaced by 3000K fixtures with soft white light.
- b) Sang Electric is ordering the 3000K fixtures for the demonstration project, including Sombrero Top fixtures (to direct light downward) to replace the current pagoda fixtures. These fixtures should be delivered by August 19.
- c) After the project is completed, the committee will make a recommendation to the Board regarding the installation of LED light fixtures in M50

Status of Condo Smoke Detectors

- a) Clayton Clark will ask Paul Donner to request a formal reply from the Contra Costa Fire Marshal regarding whether exterior fire alarms are
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- required in conjunction with smoke detectors. Clayton expects this request to be sent in August.
- b) If the exterior alarms are no longer required, the committee consensus is the hard-wired (AC powered) smoke detectors in hallways should be replaced with battery-operated smoke detectors with 10-year batteries.

Alteration Requests

- a) A window replacement request at 5545 #2A was approved by the committee.
- b) The installation of balcony trellises (also called pergolas) at 5533 #1B and 5545 #2B was approved by MOD based on authority delegated by the Board. The committee will request information from the Alterations Department regarding their construction & materials standards for trellises and any City of Walnut Creek building codes.

Landscape -

Joan Schwanz gave the following report:

The landscaping Committee has been obtaining bids for future projects. These include the removal and eventual replacement of 2 black pine hedges, rehab of the corner of 24/25 where 2 pine trees were removed, the golf course hill along E25, and the area beside the EBMUD building between Terra Granada Dr and E23. At the small rehab areas, we hope to plant some native succulents easily seen from the sidewalks, so Homeowners can see our changing landscape. We have a meeting Aug 18/22 with Mr Waraner so he can see trees during this season and decide which need to be removed and/ or trimmed.

The Landscape Committee has been working closely with MOD and The Buildings and Facilities Committee on about 10 long-standing possible unpermitted alterations that affect all of our safety, liability, and understanding of Common Area boundaries. When these are resolved, it will be easier for all of us to tackle these kinds of issues in real time. Of interest, these Homeowner -initiated alterations seem to center on 1) what is “appropriate” water use during the drought? and 2) how do MOD and Terra guidelines for common area upkeep affect personal Homeowner desires?

With this in mind, the Committee has decided against any changes in current deck water “Policies and Procedures” for the disabled. The ADA definition of “disabled” is “*a person who has a physical or mental impairment that substantially limits one or more major life activities, including those who have had such an impairment in the past but not present*”. This means that many, if not all, Homeowners could claim disability of some kind, and thus claim the need to use hoses to water plants on decks. The current hose bibbs were only intended for light use by a few workmen, but not sustained use by all disabled Homeowners for watering and/ or cleaning.

The cost of liability, water damage, and the repair of broken hose bibbs and noisy pipes break must be borne by all of us. Also, snaking extension hoses from one hose bibb location to a distant deck location exposes all of us to injury and liability from trips and falls.

So, the Landscape Committee has decided to shelve this idea as being well intended, but with too many important unintended consequences.

John Tawaststjerna, Landscape Manager gave the following report:

Mutual 50 Landscape Report

MOD Days

- 8/22 – 8/23 (2 total days)
 - o Removal of pine trees at 5565
 - o Add bubblers to trees along hillside in Entry 25
 - o Irrigation inspection
- 11/17 – 11/21 (3 total days)
 - o Plant replacements
 - o If M50 wishes to participate in plant replacements, the submission deadline for those requests is October 1st
 - o Please use the email below or the Google form link to submit requests
 - plantreplacement@rossmoor.com
 - <https://forms.gle/XsmbyaCMRiVxoB877>

Budget

- Landscape Rehab
 - o Budgeted = \$8,000.00
 - o Total YTD = \$1,972.25
 - o Rem. Budget = \$6,027.75
- Tree Maintenance
 - o Budgeted = \$27,200.00
 - o Total YTD - \$930.00
 - o Rem. Budget = \$26,720.00

Governing Documents -

No report was presented.

Social – AD HOC

Joan Schwanz gave the following report:

The first meeting of the Social Committee hoc Committee Tues. Aug 2/22 Janet Kinney, Elaine Colombatto, Carol Johnstone, Hari Singh.

- seasonal entry decorations
- Newsletter first edition by end of year. First edition will be on paper, delivered by hand, after that via email. If your neighbor doesn't have computer access, please consider running off a copy for them.
- Social get together "Fall Colors" on E25 cul de sac, Sun Sept 25, 4-6 PM. Newsletter

Old Business

New Business

MOD Manager's Report

Paul Donner reported that the 3 search firms have been interviewed to find Tim O’Okeefe’s replacement. MOD is entering budget season, Mutual 50 will meet with MOD mid-September. The refund from GRF is now included in the June financials.

Announcements

Next scheduled meeting will be held on Tuesday, September 20th, 2022, at 10am in the Fairway Room at Creekside.

Executive Meeting Disclosure

The Board met in an executive session on Monday, April 18th to discuss legal matters, member matters.

Adjournment

The Board Meeting adjourned at 11:15 AM.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes.

Lucy Limon

Assistant Secretary
Mutual 50