

**BOARD MEETING MINUTES
FRIDAY, JULY 25, 2025, AT 2:00 P.M.
IN PERSON AND ZOOM MEETING
FAIRWAY ROOM – CREEKSIDE**

1010 STANLEY DOLLAR DR – WALNUT CREEK, CA 94595

Call to Order

President Schimek called the Regular Meeting of the Board to order at 2:01 p.m.

Directors Present

Brad Schimek, President	
David Hendricks, Vice President	Matt Kaplan, Treasurer
Barbara Landberg, Secretary	Barbara Mintz, Director

Staff Present:

Todd Arterburn, Chief Financial Officer
Rick West, Snr. Building Maintenance Manager
John Tawaststjerna, Landscape Manager
Jim Hayes, Contract Administrator
Lucy Limon, Board Services Coordinator

Members Forum

Residents were afforded the opportunity to express their general concerns and make comments. Comments included: Garages/Carports.

Approval of Meeting Minutes

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

- a. Regular Meeting Minutes..... June 27, 2025

Barbara Mintz made a motion, and Barbara Landberg seconded, to approve the minutes to the aforementioned Board meeting.

Moved, Seconded, Carried 5-0

President's Report

President Schimek provided the following report:

We are very close to completing all the contracts for the rehabs on Level B. Further details will be discussed later in the meeting.

The fix for the electrical issue for two of the garages at 4372 still has not been fixed. If Sang Electric is unable to complete the issue soon, the Board will seek another company to complete the project.

It was reported to the Board that the water pressure in the buildings is very high and the buildings may need to install water pressure regulators. A discussion on this issue will be brought up later in the meeting.

On behalf of myself and the entire Board, I would like to thank Susan Davis, Lori Ann Pope and the myriad of helpers that made the BBQ event last Saturday night such a huge success. I think I can safely say that a wonderful time was had by all. Nice Job everyone!!

2. MOD Report

a. Jeroen Wright, Director of Mutual Operations:

No report was made.

b. Todd Arterburn, Chief Financial Officer:

Todd Arterburn, CFO, presented an overview of the organization's financial management, noting the challenges of implementing new systems while maintaining current processes. He addressed concerns regarding delayed payments and the need for clearer understanding of financial reports, especially those on delinquent accounts. He reported progress on the new management agreement, which is expected to be completed before budget season begins in mid-August.

c. Rick West, Snr. Building Maintenance Manager

Rick West reported that he will meet with Jim to review the SB326 report and determine which items have been completed and which remain outstanding. From his initial review, the report appears to note only minor issues, but he emphasized the importance of completing those repairs.

d. John Tawaststjerna, Landscape Manager

John reported that M53 residents should contact Bonnie for plant replacements requests.

Treasurers Report

Matt Kaplan provided the following report:

This report is based on the June 2025 Financial Report as presented.

As of June 30, 2025 our cash balances were as follows:

- Operating checking account - \$204,128
- Reserve checking account- \$290,799
- Reserve account - City National Securities (CDs) - \$457,399
- Total Reserve account - \$748,198
- Total Cash & Equivalents - \$952,326.

Operating Revenue was \$394K, while Operating Expense was \$326K, with revenue exceeding expense by \$68K. The "seasonally" adjusted expense budget was \$369K, so we have a "favorable" variance of \$43K, mostly due to the lower insurance expense, \$28K favorable, maintenance expense, \$5K favorable, and professional expense, \$6K favorable. Professional expense is favorable because we received some legal expense reimbursement from a prior year, and we have not yet paid for the annual financial review.

Reserve revenue was \$176K, while reserve expenditure, mostly roofing, was \$188K. Most of our expected reserve expenditure has not yet been incurred. and our annual Reserve Budget is \$469K, mostly for roofing project completion and building rehab. Since we will be incurring over \$300K for our first phase of the rehab project, we will be overbudget on reserve expenditures this year, but our ending reserve balance and future reserve contributions will be

sufficient to manage the reserves over the current 30-year timeframe. Note that we used reserve study unit costs for the rehab project budget, and these unit costs were modestly understated.

There appear to be some discrepancies between the Aging Report showing amounts owed by owners to our Mutual and General Ledger entries in June. So, we have an estimated amount owed of \$11.5K (\$160 per manor). Also, we have received the final escrow reimbursement of \$8.2K for a significant repair assessment levied against an owner.

- a. Motion to certify compliance with Civil Code 5500 by review of the latest Financial Report.

Dave Hendricks made a motion, Barbara Mintz seconded to certify compliance with Civil Code 5500 for the January 2025-June 2025 financials.

Moved, Seconded, Carried 5-0

Committee Reports

Architectural Review

No alteration request this month.

Landscape

Brad gave the following report for Bonnie:

At the time of this meeting, the RPM days should be nearly finished. Eddie Ibarra, part of the Rossmoor landscape team, has had his crew pulling the bark away from the buildings. He hopes they will have extra time and will be able to work on the removal of the rosemary from the uphill side of Terra Granada before Entry 14. We are hopeful that they will be able to remove about a quarter of the brush which will reduce the scope of work that was bid by Terra Landscape earlier this month. I will ask Juan Chavez from Terra Landscape for a revised bid and will get it to the Board for consideration.

There will be little activity during the heat of summer, but fall will be busy with major projects. More fun news to follow!

Building Maintenance

Jim Jennings provided the following report:

Old Business

4320 unit 2B - WO 724555 – Feb 18, 2025

I am happy to report that the resident has notified BMC that the water stained ceiling of this unit was painted earlier this month. This work order is now completed.

4364 Terra Granada – Garage Roof Gutter: A rear gutter on a garage roof does not drain completely, leaving standing water, particularly in cooler months. Representatives of Fiala Roofing Inc. have looked at the problem but as of yet have not settled on a fix. The last assessment of the gutter is believed to have occurred earlier in July. The resident and Mutual 53 are awaiting the findings of that assessment.

4400 Unit 2A: Remodel of this unit is now underway by the buyer, who after completing the remodel is expected to sell the unit.

Mutual 53 Rehab Project – Update: The start date of rehab is still pending as the Mutual Board, RPM and the involved contractors adjust a number of project details.

The Building Maintenance Committee will not be involved in scheduling work in each unit. With four separate contractors involved in this project, coordinating access to each condo unit will simply be too complex. Each contractor and RPM will manage timing and access notifications to residents.

The BMC is reminding Level B residents that the building Rehab that will soon begin, starting with the 4400 building. This project includes completely replacing the surfaces of all balconies and elevated walkways, and of course painting the railings. With that in mind, residents on Level B are encouraged to begin making plans for how and where their property items (potted plants, furniture, barbecues, etc.) that are on balconies and elevated walkways will need to be moved and stored. That includes all planters and plants that are attached to or intertwined on railings.

New Business

Water Pressure on All Buildings: In response to a refusal by a plumber to work on the residential water lines in one unit due to high water pressure, the Board of Directors and Building Maintenance has been researching the impact of high water pressure in residences. This research includes identifying appropriate water pressure for residences, and options to reduce high water pressure in residential buildings.

It has also been found that water pressure of 80 psi (pounds per square inch) or greater in a residence is excessive and could do damage to pipe and valve connections. The Building Maintenance Committee has recently tested and verified the water pressure that exists in each Mutual 53 building (refer attached pressure data page).

There is some difference of opinion as to the appropriate psi (pounds per square inch) of residential fire sprinkler lines. However, a number of credible sources are in agreement that the pressure of those lines must be greater than the pressure of normal residential lines.

BMC Responsibilities

For Discussion during the July Board meeting.

I am pleased to announce the addition of a new member to the Lighting sub-committee, a fellow Vietnam Vet, Alex Gioulis from Level B. Thank you Alex.

Other Project or Issue Updates

Fire Extinguisher Inspections

The July inspection of the 22 Mutual 53 fire extinguishers was conducted by Jay Kline. All extinguishers appeared to be in good condition with all pressure gauges registering charged.

No extinguisher box covers were found to have been damaged during the recent wind events.

Talking Trash

Trash Enclosure Gate Repair: The BMC has again made additional adjustments to the latch of the gate on trash enclosure B. It appears this may have been somewhat successful in preventing the gate from being as easily opened with the slightest wind.

Compost Bin Cleaning Update: The new, laminated signs advising of compost bin cleaning to occur on the last Wednesday of every month, have been posted on the trash enclosure gates. July will be our first month operating with this new schedule.

New Resident Guide to Trash: The Mutual 53 Board did review and give their unofficial approval of the New Resident guide. Copies have been distributed to the two newest residents. That will continue for each new arrival.

Governing Documents

No report was given.

Finance Committee

No report was given

Social Committee

Lori Anne reported on summer barbeque. She added that 72 people attended.

Old Business:

a. Building Rehab Update:

- Vote for Additional Rehab Expenditures:
Dave Hendricks made a motion, Barbara Mintz seconded to approve the additional expense in the amount of \$43,361 for the 2025 Level B Rehab.
Moved, Seconded, Carried 5-0
- Vote on Paint Colors: *Tabled.*

New Business:

a: Water Pressure Regulators:

The Board reported on water pressure issues in the buildings, where tests revealed pressures exceeding 100 psi. Rick explained that residential lines should not exceed 80 psi, leading to the need for pressure regulators on 15 water lines. The Board tasked Rick with obtaining 3 bids to present at the next meeting.

b. Approval of Terra Landscaping Bid:

Dave Hendricks made a motion, Barbara Landberg seconded to approve the Terra Landscape proposal in the amount of \$3,357.76 to replant Terra Granada entry 14B where the rosemary was removed.

Moved, Seconded, Carried 5-0

c. Discussion of BMC Responsibilities:

The Board addressed concerns regarding the Building Maintenance Committee's responsibilities and agreed to revise its responsibility charter to clarify that BMC members should not be contacted outside of regular business hours or on weekends.

Announcements

Next scheduled meeting will be held on Friday, August 29, 2025, at 2:00 pm in the Fairway at the Creekside Clubhouse and via Zoom.

Adjournment

There being no further business President Schimek adjourned the Board Meeting adjourned at 3:21 p.m.

Executive Session Summary

The Board met in executive session from 3:30 p.m. to 3:50 p.m to discuss the following item:

1. Contract Formation: The Board reviewed updates regarding the management agreement and the anticipated approval timeline. No action was taken.

Secretary's Certificate

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

Lucy Limon

Assistant Secretary
Mutual 53