

**Walnut Creek Mutual 68 – Eagle Ridge
Board of Directors Regular Meeting Minutes**

Monday, April 28, 2025, at 1:00 p.m.

Zoom Meeting and In-Person

Clubroom – Creekside Clubhouse

1010 Stanley Dollar Dr, Walnut Creek, CA 94595

MINUTES

Call to Order

Rich Schlenker called the meeting to order at 1:02 p.m.

President Schlenker welcomed the membership, staff, and thanked everyone for their attendance.

Roll Call

Directors Present:

Rich Schlenker, President
Wayne Canterbury, Vice President
Roger Emanuel, Treasurer
Pina Royer, Secretary
Jim Day, Director

Staff Present:

Jeroen Wright, Director of Mutual Operation
Todd Arterburn, Chief Financial Officer
Rick West, Senior Building Maintenance
John Tawaststjerna, Landscape Manager
Lucy Limon, Board Services Coordinator

Approval of Meeting Minutes

Rich Schlenker asked if there were any additions or corrections to the following minutes:

- a. Regular Board Meeting Minutes of February 24, 2025
- b. Executive Board Meeting Minutes of February 24, 2025

Rich Schlenker made a motion, seconded by Pina Royer to approve the aforementioned meeting minutes.

Moved, Seconded, Carried 5-0

Presidents Report

Rich Schlenker requested that Jeroen Wright provide a brief presentation regarding AB 3074 and AB1572:

Jeroen presented an update on two new laws affecting fire safety and landscaping. AB 3074 introduces defensible space guidelines, with stricter enforcement expected in high fire danger zones. While Mutual 68 is in a high fire danger zone, the specific regulations are not yet finalized. Cal Fire currently recommends removing flammable mulches and materials in Zone 0 and installing ember-resistant screening for foundation vents. Jeroen advises mutuals to proceed cautiously with changes until detailed regulations are available.

AB 1572 focuses on new water conservation and fire safety regulations affecting landscaping in Rossmoor. Jeroen explained that non-functional turf irrigation will be prohibited, with some exceptions for functional areas like sports fields and civic gathering spaces. The implementation timeline for these regulations is January 1, 2029, for multifamily properties.

GRF Reports

a. Director's Report – Jeroen Wright –

Jeroen Wright, Director of Mutual Operations, reported that the Fire Wise Committee is still compiling a list of the most frequently asked questions from the January town hall. Once completed, the committee will provide detailed responses and post them on the Rossmoor website for community access.

Jeroen noted that the management contract continues to progress well, and the committee is making significant strides. The appendix for the Resales and Alterations department is nearly complete and is scheduled to be presented at the next committee meeting.

b. CFO Report – Todd Arterburn –

Todd Arterburn reported that Todd reports that the 2023 audits have been mailed out, and they are working to get back on schedule for 2024 audits. The SharePoint access for board members is being relaunched with clearer instructions, and there is ongoing implementation of new financial systems. The board approves the 2023 audit and ratified the 2024 audit and planning services agreement.

Treasurer's and Finance Committee Report: Roger Emanuel, Treasurer; Robin Howard, Financial Committee Chair

Roger Emanuel reported the following:

The conversion to the Netsuite system is in process and no financial statements have yet been prepared for the months of January, February, or March, 2025. In late April an income and expense statement for the 1st quarter of 2025 was sent to other mutuals. M 68 should receive them shortly. The financials are incomplete and just a first edition of statements prepared on the new Netsuite system.

1. The 2023 Audit is attached. The final audit report for 2023 was completed in March and distributed to Board members.

The Finance Committee recommends that the audit report be approved and that it be distributed to residents.

I make a motion that the 2023 Audit be approved.

Roger Emanuel made a motion, Pina Royer seconded to approve the 2023 audit.

Moved, Seconded, Carried 5-0

2. In order to make the insurance payments at the beginning of 2025, \$300,000 was borrowed by the operating fund from the reserve fund. The Treasurer is monitoring fund balances for repayment of the loan. It is recommended that the Board authorize the Treasurer to initiate loan repayments during the year so that the loan of \$300,000 is repaid to the reserve funds by the end of 2025. The Treasurer will consult with Board member, Pina Royer, on the transfers.

I make a motion that the Board approve this authorization.

Rich Schlenker made a motion, Wayne Canterbury seconded to authorize the Treasurer to initiate loan repayments during the year so that the loan of \$300,000 is repaid to the reserve funds by the end of 2025.

Moved, Seconded, Carried 5-0

3. The Finance Committee recommends that Bob Marshak be added as a new member of the Committee.

I make a motion that the Board approve Bob Marshak to the Finance Committee.

Roger Emanuel made a motion, Pina Royer seconded to approve Bob Marshak as a new member of the Committee.

Moved, Seconded, Carried 5-0

- 4.. The Mutual uses 2 money market accounts and 2 checking accounts with Mechanics' Bank. After review of the accounts by Mechanics Bank, MOD financial representative, and me, changes were made to set the

maximums that can be held in the money market accounts at \$125,000 for each account. Excess amounts above \$125,000 are transferred to other banks in the system called ICS so that all funds are insured under FDIC limits. The checking accounts continue to have all funds transferred each day via the ICS system. All checking and money market account funds are insured within FDIC limits.

The Finance Committee recommends that the maximum amounts for each of the two money market accounts be set at \$125,000.

I make a motion that the Board approve this recommendation.

Roger Emanuel made a motion, Wayne Canterbury seconded approve the Finance Committee recommendation to set the maximum amounts for each of the two money market accounts be set at \$125,000.
Moved, Seconded, Carried 5-0

5. The Mutual's funds include over \$2,000,000 invested in US treasury notes with LPL financial. For purposes of income taxes, the interest income from the treasury notes is exempt from taxation by the State of California if the Mutual has the State of California tax exemption. The Mutual's accounting firm, Porter and Lasciewicz, has prepared the tax returns in the past for the Mutual with the exemption and plans to continue this. Thus, the accounting firm indicated there is no need to file for an exemption.

This is an informational item and no vote is required.

6. Porter and Lasciewicz, sent a proposal for 2024 that includes income tax returns preparation and the audit for a fee of \$5,775. Rich Schlenker, upon consultation with the Treasurer, approved the proposal and has returned the signed agreement so that the audit work can begin as soon as possible.

I make a motion that this action be ratified by the Board.

Roger Emanuel made a motion, Pina Royer seconded to ratify the approval of the Porter and Lasciewicz proposal of \$5,775.

Moved, Seconded, Carried 5-0

7. The Finance Committee voted unanimously to ask the Board to prioritize and give a timeline for firewise landscape and building projects, and recommended that lawn conversion be delayed to 2027 or later. As the purview for these projects falls to the Joint Landscape and Firewise Task Force (JLFTF), I believe the recommendation should be forwarded to JLFTF.

Does the Board agree this should be referred to the JLFTF? Does the Board wish to provide guidance on the priority issue to the JLFTF at this time?

8. A number of large projects were discussed by the the Finance Committee at its April 16 meeting:
- a. SB326, the law designed to enhance the safety and longevity of balconies, decks, and other exterior elevated elements through repairs.
 - b. 5-ft perimeter zone
Assembly 3074, adopted in 2020, requires the removal of combustible materials – including plants and wood mulch – located within the 5-foot perimeter of residential structures. While there is presently no legal requirement to comply with the proposed rules, Governor Newsom recently ordered the Board to finalize and enforce the rules by as early as next year.
 - c. Lawn removal and replacement
Senate Bill 1572, passed in 2023, is a water-saving measure. It prohibits the use of potable water for irrigating nonfunctional turf in common interest developments. The law becomes effective as of December 31, 2028. Failure to comply may result in the imposition of a fine of \$500 per day.
 - d. Fire-hardening of buildings

This information on these current and future large projects is to point out that the funding for these projections is not included in the current Mutual budget and Helsing projections. The cost of these projects will be significant and the Board in the future will have to consider funding options that will

include coupon increases and could involve assessments.

This is an informational item and no vote is required.

9. There have been questions, concern, and anxiety expressed from Mutual members about The Joint Landscape and Firewise Task Force (JLFTF).

The Finance Committee unanimously recommends that the (JLFTF) use the Eaglet for early dissemination of information concerning the purpose/charge/ status of the Task Force.

I make a motion that the JLFTF prepare an information piece and disseminate it in the near future to Mutual members.

Building Maintenance Report: Jim Day, Board Liaison; Rick West, GRF Maintenance Manager; Tom Beckett, Chair

Rick West provided the following report:

ACTION ITEMS: Proposals for review or Approval

Remove and dispose of rodent infested ductwork and install new wireflex ductwork throughout manor. Price includes all labor and materials difficult crawl with several stem walls and rock under substrate.

TOTAL \$ 7,480.00

RFC #16 2846 SI \$4,996.58 / RFC #17 2886 SI \$4,996.58 /

RFC #18 2844 SI \$4,013.64 / RFC #19 3012 GE \$1,212.33

Presented to the Board for approval.

Rich Schlenker made a motion, Jim Day seconded to approve the above proposal in the amount of \$15,219.13.
Moved, Seconded, Carried 5-0

INFORMATION ITEMS: Work scheduled, In Progress or Complete

SB326 Structural Engineers Report mandated repairs. Contractor: GBG

- Scope of Services SB326 repairs. Total of 73 items identified

RFC #9 Unit 554 Spotted Owl – Deck Coating - In Progress

RFC #10 Unit 3024 Grey Eagle - Deck Coating - In Progress

RFC #11 Unit 2886 Sakland Indian - Deck Coating – In Progress

Unit 566 High Eagle - Completed Total: \$25,539.78

Unit 592 High Eagle - Completed Total: \$35,370.65

Unit 2876 Saklan Indian Dr. – Completed Total: \$34,036.05

Unit 2848 Saklan Indian Dr.- Completed Total: \$21,898.31

Unit 2818 Saklan Indian Dr.- Completed Total: \$13,799.94

Unit 2814 Saklan Indian Dr. Completed Total: \$21,848.37

Total Date:\$300.076.33

Resealing all window and door trim with caulking to prevent dry rot. Contractor: MOD.

Time and Material Project scheduled for fall 2024. Budget \$84,000.00.

Work is in progress 90% completed.

Four Plex landing and balcony simi annual core drilling – Contractor MOD. Cost \$12,000.

18 buildings in 2024.

Schedule starts spring 2025.

**SB326 Handrail repair work. This includes repair work and replacement of 10 handrails.
Contractor MOD.**

Time and Material Project. 30 units Completed.

Total cost \$150,975.00

Landscape Committee Report: Wayne Canterbury, Board Liaison; John Tawastsjerna, Landscape Manager; Barbara Blum, Chair

Barbara Blum submitted the following report:

The M68 Landscape Committee met on Monday, April 14th. Luis attended the meeting and we began with his report. The landscape irrigation was first inspected, deemed operational and then turned on on April 10th. Luis notified the Committee that he had inspected the landscape damage done at 2812/18 Saklan Indian by contractors working on dry rot repair. Five shrubs were damaged and debris was left within the iron railings. The contractors also parked on the wrong side of the street and could have damaged irrigation, but did not. It was decided that the Building Committee should handle this issue, so an email will be sent to the chairman of the Building Committee and John T. to correct this condition and, hopefully, prevent it from continuing to happen as the dry rot remediation work continues throughout the Mutual. Continuing his report, Luis said that his crew sprayed lawns for weeds and has been pruning shrubs. They have aerated the lawns and will re-seed the lawns which require it a second time. They will apply weed abatement throughout on the first or second week of May.

Jim Day, from the Board and Building Committee, asked Luis if BrightView would be agreeable to helping any residents who need it, to move heavy pots from elevated walkways and decks so they can be in compliance with Mutual 68 Policies. Luis said that BrightView will be available to help if needed. *After discussion at the Committee level, we suggested that the Board deal with the aspects of payment, who pays, etc.*

There was a proposal created by BrightView to remove two piles of wood located near 501 Falconwood which had been discovered during our field trip to that area on March 12th. *There seems to be a discrepancy about whose property this wood is on and the Committee would like to defer to John T. and the Board to approve this proposal.* The proposal is attached.

Jim brought to the attention of the Committee that a realtor had mulch added to the landscape in front of the unit on Saklan Indian which they were selling. Everyone was totally against this practice (Barbara mentioned that a realtor had mulch added in front of property on Shadowhawk, as well). *The Landscape Committee will request that the Board handle this issue as they see fit.*

Landscape subcommittee – Wayne Canterbury:

Wayne Canterbury made a motion, Jim Day seconded to publish the Town Hall notice and agenda subject to modification in the M68 Eaglet.

Moved, Seconded, Caried 5-0

Rich Schlenker made a motion, Jim Day seconded to hold the Town Hall Meeting on June 2, 2025.

Moved, Seconded, Caried 5-0

CIC Report: Rich Schlenker, Board Liaison; Barbara Walker, Chair

No report was given.

Social Committee Report

Barbara Walker reported that there are 3 new members in Mutual 68.

Trash Committee Report

No report was made.

Informational/Discussion Items

Ralph Anthenien gave the following report:

Mutual 68 Disaster Preparedness Group (DPG)

Tips and Thoughts

April 28, 2025

- **Re: Your Health:**
 - Continue to practice good hygiene to include washing hands when coming home, before eating, etc. Wear masks in “high risk areas” and do follow your medical practitioners’ recommendations regarding vaccines such as Flu, COVID-19, RSV, etc.
 - There has been an “uptick” of measles outbreak in other areas of the USA and world (only 5 cases to date in Calif) but traveling in high-risk areas (airports, health care facilities, internationally) significantly increases your risks. It is presumptive that if you are born before 1957 you are immune, but it may be best to test this immunity through a simple blood test for MMR (Measles, Mumps, Rubella). These diseases can be extremely dangerous for older seniors. See your Medical Practitioner for guidance
- **What is your Disaster Preparedness Group (DPG) working on presently?**
 - Your DPG is working on some Community Resource Sheets to assist residents in being aware of these resources and how to contact them.
 - The DPG is also researching ways to better publish and distribute their new Essential Skills Manual, which has proved to be very costly in producing sufficient copies for distribution to all households. More to come on this project.
- **If you ONLY did two things to accomplish or better prepare for “events” this coming month:**
 - Last month we suggested you survey and better prepare your residence for earthquakes. Have you purchased the Velcro Strips and similar items to fasten your heavy items to the wall? Have you set up an appointment with the Handy Man Service to install those Velcro Strips to the wall and furniture? Have you purchased that “Thin” Crowbar and placed it under your bed to allow egress from your bedroom after an Earthquake? When will **YOU** improve your survivability from an Earthquake?
 - Last Month we also suggested you have adequate supplies for you and your pets **IN YOUR RESIDENCE** and **Auto** to survive **for up to two weeks**. How are you doing? Have you begun to collect the food, Meds, Water, Equipment such as flashlights, first aid kits etc. to survive on your own? You may not be allowed or cannot leave Rossmoor in such an event and what have **YOU ACCOMPLISHED** in this task? You can obtain some sample lists on M-68’s web site or EPOs web sites. If you did just a little collection, you could be better prepared in three weeks’ time. Please make a list of items and begun collecting those “extra” items each time

you go to the grocery store and/or Ace Hardware. **Remember these words: YOYO!! You truly are on your own.**

NOTE: We have an active but interesting committee that is working hard to education and assist each of our residents to better prepare for future events that will disrupt our everyday lives. We can still employ a couple more members to ensure we have a minimal workload for each as well as to gain members in unrepresented zones. You can assist at home, or in your neighborhood, etc. Not sure? Come join us at one of our monthly meetings held on the third Wednesday of each month from about 4 to about 5 pm in MPR #2 at Gateway **OR** contact Ralph Anthenien to discuss the scope of our work and to answer any of your questions. Thank YOU.

Resident Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff. Comments included potted plant deck inspections.

Old Business

a. Red Wing Railing:

Rich Schlenker made a motion, Roger Emanuel seconded to accept the proposal from 5-Star to install the railing on Red Wing and the Brightview proposal to remove the shrubs in the amount of \$4,600.

Moved, Seconded, Carried 5-0

New Business

a. Voting and Election Rules:

Rich Schlenker made a motion, Wayne Canterbury seconded to approve the Election and Voting Policy as written by Melissa Ward and to be distributed to the membership for the required 28-day comment period.

Moved, Seconded, Carried 5-0

Announcements

Next Meeting will be held on Thursday, May 29, 2025, at 1PM – in the Club Room in the Creekside Clubhouse.

Adjournment

With no further business to address President Schlenker adjourned the meeting at 3:12 pm.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.

Lucy Limon

Assistant Secretary