

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD
MONDAY, JULY 22, 2019 AT 1:00PM
CREEKSIDE CLUB ROOM
1010 STANLEY DOLLAR DR, WALNUT CREEK, CA 94595

Call to Order

President Walker called the meeting to order at 1:01 p.m.

Roll Call

Directors Present: Dwight Walker, President
Gail Todoroff, Vice President
Bob Grotz, Secretary
Lew Armistead, Director

Directors Absent: Susan K. Fisher, Treasurer

The Mutual Operations Division was represented by Kelly Maki, Board Services Coordinator; Rebecca Pollon, Landscape Manager; Paul Donner, Mutual Operations Director and Lucy Limon, Administrative Assistant. Also present was Steve O'Connor with ESR.

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

Approval of Meeting Minutes

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

Regular Meeting of the Board.....June 24, 2019
Annual Meeting MinutesJune 24, 2019
Organizational Meeting of the BoardJune 24, 2019
Executive Session MinutesJuly 15, 2019

The minutes to the aforementioned meetings were approved with a motion.

Moved, Seconded, Carried 4-0

Announcements

- **Only 90 owners have not registered for the new website--- you can register right now in the back of the room and the CIC volunteers will assist you.**
- **Next Board Meeting: August 26, Event Center Donner Room**
- **Report on Executive Session of July 15, 2019:** The Board voted unanimously in the executive session held on July 15, 2019 to accept Brightview's Phase III proposal of \$240,721.

Residents' Open Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives. Topics discussed included Landscaping, Castle Hill Ranch Road – 25 acres for sale and the Disaster

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Preparedness group gave their report as follows:

Resident report to Board – July 22, 2019

By

Mutual 68 Disaster Preparedness Group (M68 DPG)

Ralph A. Anthenien, Lead

- All Residents received, the week before last, signage that read either “OK” or “Help” along with instructions for their use following a disaster affecting our Mutual. This will speed up follow up actions by first responders attempting to determine/assist potential victims. Announcements have already been made on past Eaglet E Blasts.
- Training on essential tasks (opening garage doors/no power, turning off water and gas, re-setting electrical circuit breakers, use of fire extinguishers, etc.) in zones is continuing until all zones are complete.
- Training is being prepared for resident training on assembly areas, radio operators etc.
- Volunteers are still be sought for both Zone Coordinators/Alternates as well as for radio operators. Volunteers are needed in the following areas. Please contact Ralph A. Anthenien for information.
 - Zone 1 (need more zone coordinators) (2804-2889 Saklan Indian Dr)
 - Zone 3 (have zero coordinators) (3001-3018 Grey Eagle Dr)
 - Zone 5 (need more zone coordinators) (Quail Hill Court)
 - Zone 7 (Have zero coordinators) (Spotted Owl Court)
 - Zone 10 (Need more coordinators) Foxwood Ct & Falconwood Ct)
 - Need Radio Operators in each zone.
- The next priority will be to identify essential missing or inoperative equipment such as radio’s and acquire new ones as necessary. The existing radios are quite old and many have serious defects/issues.

Ralph
Ralph A. Anthenien
Lead, M68, DPG
Cell: (510) 219-5542

3101/3103/3113 Grey Eagle Drive Project Update: Steven O’Connor, ESR President

Steve announced that the City of Walnut Creek permit has finally been approved. Steve also stated that their last requirement is to have a preconstruction meeting with the City Thursday, July 25, 2019, where Kevin Ryan the geologist will also be present. Steve went over the basic process of the construction timeline. Steel beams are in transit and are expected to be delivered in 3 weeks. Construction is likely to take 12-14 weeks to complete, weather permitting.

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Unfinished Business:

- **Owner Acknowledgement of MOD Billable work:** The Finance Committee is still reviewing this.
- **Organic Recycling:** Paul Donner gave a brief report on a conference call that was held with Recycle Smart and Republic Services. They discussed feedback on the current composting program in Rossmoor. Currently there are no composting bins available in Mutual 68. Owners who wish to compost can bring their composting to MOD Recycling Center. It will be a while before Mutual 68 receives composting bins.

Treasurer and Finance Committee Reports: Alan Lindquist, Chair

Alan Lindquist gave Susan Fisher's report:

The Finance Committee met today and reviewed Mutual 68 financial statements from June 30, 2019. It concluded that the Mutual is adequately funded with cash and investment balances of \$208k Operating; \$896k Replacement Reserve and \$4,460k Land Stabilization. I have reviewed all of the bank and investment statements and determined that all funds are FDIC insured.

Operating Fund expense: as previously reported, are modestly negative to budget by \$22k resulting from general insurance costs in excess of budget.

Reserve Fund: Reserve Project Commitments are at 71% of the \$912k budget for 2019 with \$267k remaining. The major variance to budget is the Landscaping Rehabilitation of \$38k.

Upcoming distribution of excess Land Stabilization Funds:

Mutual 68 property owners of record as of June 30 of this year, who do not have a Special Assessment loan outstanding, will receive checks for \$13,000 by the end of July. Owners holding loans will receive a letter confirming that \$13,000 will be applied to the balance of their loans. The balance of their loan principal has been re-amortized by Mechanics Bank and will be reflected on July invoices, along with interest and the administrative fee, to be paid in August. Owners who wish to pay off the balance of their loans at this time will be instructed how to do so.

The Land Stabilization Fund is projected to have a remaining balance of \$741k after the \$3,029,000 July distribution. That balance will be held until all expenses have been paid, insurance proceeds collected and at least one rainy season successfully survived at 3101/3013 Grey Eagle.

- **Update on distribution checks and new Special Assessment loan payments:** The Board made a motion to approve the Finance Committee's recommendation to accept the Mechanics Bank's re-amortization of Special Assessment loan balances after the \$13,000 distribution. The new monthly payment of \$24.64 (\$22.14 principal and interest plus \$2.50 admin fee) will be billed to affected owners in July.

Moved, Seconded, Carried 4-0

- **Review of the June Financial Statements:** The committee provided dashboards for June 2019 in the Board packets.

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- **Compliance with Civil Code 5500:** A motion was made to certify compliance with Civil Code 5500, review of financial statements by two board members for June 2019
Moved, Seconded, Carried 4-0

Building Committee Report: Rick West, Building Maintenance Manager; Bob Grotz, Board Liaison

Bob Grotz gave the following Committee Report:

The Building Committee met July 18, 2019 to discuss the two contracts offered to M68 for gutter and downspout cleaning. The PGS contract, described in emails by Rick West, offers to clean our gutters and downspouts for \$24,840 a year for three years. Once the project begins, we are committed to employ PGS for three years. Perfect Painting, according to Rick West's emails, has offered to clean our gutters and downspouts next year for \$23,000. As to the past performances of these two companies, PGS does the job in a few days while Perfect Painting takes a few weeks. There is also a suspicion that PGS does a better job cleaning the downspouts.

Three members voted at the meeting, and two out-of-town members voted by email. A sixth member voted later by email. All six Committee Members voted to recommend two conditions be written into any contract entered into with either PGS or Perfect Painting.

1. The 11 Chestnut models with gutters at the foot of their patios will have their gutters and downspouts cleaned.
2. During the November cleaning all downspouts will be water tested for blockages, and all blockages cleared. If a blockage is related to a building problem, M68 will be notified.

The Committee members expressed concern for agreeing to a 3-year contract. If PGS insists on a 3-year contract, Perfect Painting becomes a more attractive alternative.

Bob Grotz gave the following Building Maintenance report in Rick West's absence:

PENDING ITEMS: Proposals for Review or Approval

1. Gutter & Downspout Cleaning – Contractor: Professional Gutter Services – New 3-year contract proposal presented to the board for approval. Cost \$12,420.00 each cleaning or \$24,840.00 Annually - cleanings scheduled for Late November and Early February. (Proposal presented to the board for approval Offer deadline is July 31st.).

A motion was made to approve PGS's new three-year contract for two gutter cleanings at a total annual cost of \$24,849 to be done in late November and early February only with the following conditions being outlined in the contract:

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Moved, Seconded, Carried 4-0

INFORMATION ITEMS: Work scheduled, In Progress or Completed

1. Scope of work for 5 Front Landings including Stairs and Rear Deck are candidates for the new Excel waterproof pedestrian Coating is going out to bid. The buildings are: 2818 SI / 3023 GE / 526 HE / 503 FW / 505 FW.

(This is to receive a bulk rate price. To be presented at the August board meeting).
2. Painting of all 4 plex white stair safety strips and installation of new peel and stick non- skid strips on landings - Contractor: MOD
(All painted stripping is complete. Peel and stick is in progress) (Project is 95% completed).
3. 2019 Phase III Roof Tune up for 22 Buildings - Timberline Roofing - Cost \$126,840.00
(Scheduled Start Date Monday July 22nd).
4. 526 HE Front Landing - Contractor: ALP Construction - Cost \$24,700.00.
(Work Scheduled to start Monday July 22nd)
5. Installation of New Mailboxes. Contractor: MOD
(Work Scheduled to start Tuesday July 23rd)

Landscape Report/Landscape Committee Report: Barbara Blum, Committee Chair

- **Status of Landscape Rehab – Phase II and Phase II:** For Phase II, Zone reps made a punch list to correct unfinished work. Phase III is starting this week and 3 buildings will be done at a time.
- **Rosemary removal and potential Diablo FireSafe grant:** Rebecca Pollon is working on getting bids and announced the Mutual potentially will be receiving a \$5,000 grant to complete this work.
- **Inspection results – Defensible Space – 100 feet from structures:** All required weed abatement has been completed for this year. GRF is gathering bids on tree work to be completed within defensible space in the near future.
- **Removal of 7 trees:** This was completed within the Landscape Budget. Rebecca Pollon will be providing a map of the tree's location to the Board for review of which trees should be replaced.
- **Tree trimming/thinning beyond 100 feet:** Rebecca Pollon to look into this further.
- Rebecca Pollon will be speaking with some landscape designers to look into considering assistance with Common Area rehabilitation.

Community Information Committee Update: Lew Armistead, Board Liaison

Lew Armistead gave the following report:

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The Community Information Committee (CIC) continues to work to register residents on the new website, m68eagleridge.com, and add new information to the site. Currently, there are 170 registered on the website.

The CIC will provide opportunities for residents to sign up on site at each of the upcoming Board of Directors meetings and at the Summer Picnic. We are also making special mailings to residents encouraging them to register. At some point we will likely place registration information in the tubes of all those who haven't yet registered.

It should be noted that after Labor Day, residents must be registered in order to receive the Eaglet, EBLASTS, and any other electronic communications as all of these will be disseminated through the website's publishing function.

We encourage those who have signed up to spend a few minutes going through the website and becoming acquainted with the vast amount of useful information on it. We also would appreciate anyone urging their neighbors, friends and others to register.

More information can be obtained from the CIC at mutual68cic@gmail.com.

Social Committee Report: Lew Armistead, Board Liaison

Lew Armistead gave the following report:

The Social Committee has developed what promises to be an exciting and relaxing summer picnic for all Eagle Ridge residents and their guests. The date is Sunday, August 25, starting at 6 p.m. at Peacock Plaza.

This year's menu will feature St. Louis BBQ ribs, BBQ chicken, potato salad, wood-smoke beans, and coleslaw. It's being catered by The Original Hick'ry Pit, which will provide its famous pies— cherry, apricot and apple— for dessert. The bar will include Gin and Vodka Tonics, red and white wine, beer, and a non-alcoholic selection.

Invitations will be placed in each unit's tube on the weekend of July 27-28 with a reservation deadline of August 16. The cost is \$28 per person.

Adjournment

President Walker adjourned the meeting at 2:17 p.m.

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.

Respectfully submitted,

Lucy Limon
Administrative Assistant