

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD
MONDAY, MAY 23, 2022, AT 1:00PM
CLUBROOM – CREEKSIDE CLUBHOUSE
1010 STANLEY DOLLAR DR – WALNUT CREEK, CA

Call to Order

President Howard called the meeting to order at 1:02 p.m.

Roll Call

Directors Present: Andy Howard, President
Susan Fisher, Vice President
Martha Kohler, Secretary
Alan Lindquist, Treasurer
Peter Yang, Director

The Mutual Operations Division was represented by Paul Donner, Mutual Operations Director, Melissa Ward, Board Legal Counsel, John Tawaststjerna, Landscape Manager and Lucy Limon, Board Services Coordinator.

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

Approval of Meeting Minutes

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

Regular Meeting of the Board April 25th, 2022
Special Meeting of the Board May 3rd, 2022

Alan Lindquist made a motion and Susan Fisher seconded to approve the minutes to the aforementioned Board meeting

Moved, Seconded, Carried 5-0

Announcements

- Next Board Meeting: Monday, June 27, 2022, at 1PM – Fireside Room – Gateway. This is the annual meeting of the members and the Organizational Meeting of the Board. This meeting will be hybrid.
- Chris Preminger, MOD Business Operations Manager, will be resigning his positions effective May 31, 2022. Chris will be moving to Iowa to be closer to his wife's family and we all wish him the best of luck, both in-house and outside candidates will be interviewed, and the goal is to have a replacement by June 15th.

Presidents Report

President Howard presented the following report:

- Accounting Update
 - Tess Haskett remains out on LOA until mid-June
 - Amanda Davis has been promoted to controller and will manage all accounting activity for GRF, MOD, trust and Mutuals

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- Hiring an Accounting Manager to manage A/P, A/R and property taxes. The Accounting Manger will report to Amanda. In this new structure, we will achieve functional management of the accounting processes. The monthly close process will be managed by Amanda and the accountants while the transactional activity will be managed by the Accounting Manager
- Mutual Financial Statements – March (May 13th), April (June 3rd), May (June 24th), June (12 working days to complete)
- Property tax – MOD funds (Mutuals notified during the April President’s Forum) used to make immediate payment, should hear from CCC by the end of June concerning forgiveness of the penalty

- Insurance Update
 - Gallagher will give an update for 2023 during the June President’s Forum to include increasing the deductible to reduce the premium
 - First reimbursement will be issued in mid-June (estimated total of around \$815,000 (already built into the mutual budgets)

- Management Agreement between the Mutuals and GRF
 - Should be distributed to the mutuals in the near future for further review (indemnification language redrafted)

- Rossmoor Live Evacuation Drill
 - Many thanks to Ralph Anthenien and the DPG volunteers for coordinating with Tom Cashion and the external agencies for making the May 15th drill a success. Thank you to Barb Walker for helping to promote the event to our residents and thank you to our many residents who woke up early Sunday morning to participate

- Hybrid mutual board meetings
 - 3 Zoom media carts purchased – 1 to be left at Creekside

- Safety Concerns
 - Residents are reminded that our M68 Policies (page 13), CC&Rs (Section 4.19) and the City of Walnut Creek prohibit parking of any vehicle that obstructs the sidewalk. Several of our residents use assistive devices for walking and this poses a significant safety risk to all our residents
 - Access for emergency personnel or Rossmoor staff may not be obstructed on walkways or stairwells (GRF Landscape Policy)

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. No comments were made.

Ralph Anthenien presented the following report:

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Mutual 68 Disaster Preparedness Group (DPG)

Tips and Thoughts

May 23rd, 2022

Re: Your Health: Caution is now urged more than ever! The numbers of “breakthrough” COVID-19 cases are going up and more restrictions are being considered. Be cautious! Stay masked indoors, keep your distance, use sanitizer. You know what to do!! Stay Safe. Stay Well. Take care!!

Re: Our Evacuation Drill:

Wow!! Our Evacuation Drill executed on Sunday, May 15th (I am writing this the day after and have not yet “recovered”) was an ENORMOUS success!! Everyone is so proud of the residents of Eagle Ridge. Each one of you did wonderfully. KUDOs to each of you. We all learned so much. Good things, Things to improve on. Things to work on to improve our readiness. I am so happy too that we accomplished this with no accidents nor injuries. Thank YOU! Now there were many artificialities in this drill and many things were not played like they will occur in a real event. Yes, if told to evacuate you will be given that same order to “Evacuate NOW”. You would have had no notice at that point, but, in reality (like in a wildfire), You may have had some time to get ready. For example, you may have had many days of a Red Flag Warning, WHICH IS THE TIME to do the last min preparations and be ready to leave in a moment’s notice. Even then, all the “go bags”, plans, etc. should have been accomplished in advance. Even having “Go Bags” in each car’s trunk all the time is a clever idea. The earthquake, or other event can occur when you are out of Rossmoor for the day shopping nearby. Leave this drill knowing just how you might be better prepared. Each day, improve that readiness stance. Set up a Go Bag if you do not have one, improve it if you have one. Make that communications plan, etc. etc. Do something each week. Buy missing articles (Like that canned water that keeps for 50 years), or emergency food and even items getting hard to find (Emergency Medical Supplies).

On another note! We have NOT forgotten about our promise to award some prizes for those participating in this drill. With the constant changes, there became no place to do that at Heather Farm Park. We will do it at the board meeting. Thanks too, for enduring the constant change in “the plan.” Not easy. Even the Survey you were to fill out was not printed in time, but I hope to have it provided to me such that we can send it to each of you electronically for completion.

Bottom line: you all did a fantastic job! Thank you. Our resources here are impressive, a robust Web page that almost no other Mutual enjoys, a fantastic Communications Manager (Barb Walker) plus a devoted President and Board fully supporting all efforts to keep our each of you knowledgeable on what to do when it happens (Not “if but when”). This coupled with a devoted and most busy Disaster Preparedness Support team of volunteers, all make it happen.

Take a Bow!! All of you!! You have earned it!! We have raised a high bar for others to attempt to reach.

Treasurer and Finance Committee Reports: Alan Lindquist, Treasurer; Robin Howard, Finance Committee Chair

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Treasurer Alan Lindquist gave the following report:

The Finance Committee met on May 18th, 2022 and reviewed the Mutual's financial information and projections through March 31, 2022. It concluded that the operating fund and replacement reserves are adequately funded, with net fund balances of \$239,990, and \$1,451,599 respectively. The operating revenue was favorable to budget for the month by \$299, and expenses were favorable to budget by \$29,502, resulting in a total favorable budget variance of \$29,801. The major expense variance was water, which was \$46,345 under budget, while gutter cleaning and insurance were unfavorable to budget by \$7,890 and \$6,745 respectively. The favorable water variance was partially caused by EBMUD's bi-monthly billing cycle, and partly because water usage is relatively low in these months.

Bank account statements were reviewed by two board members, as required. All accounts are covered by FDIC insurance.

Request: A motion to certify compliance with California Civil Code, Section 5500.

The Committee then reviewed a detailed water usage report prepared by Chair, Robin Howard, which detailed water bills for duplexes, triplexes and fourplexes, and identified buildings with above average water usage. While Robin reported that most residents, when notified of their higher-than-average usage, were very cooperative in trying to locate the source of the problem, such as using dye tablets to identify leaking toilets, there was discussion as to handle the few who were not cooperative. These overall efforts have resulted in a significant savings in water expense.

- Motion to certify compliance with Civil Code 5500, review of financial statements by two Board members:

Susan Fisher made a motion, seconded by Martha Kohler to certify compliance with California Civil Code, Section 5500.

Moved, Seconded, Carried 5-0

Building Committee Report: Rick West, MOD Building Maintenance Manager; Martha Kohler, Board Liaison

Martha Kohler, Board Liaison, and Rick West gave the following reports:

The Building Committee held a meeting May 9, 2022, Bunker Room, Creekside
Attendees: John Walkinshaw, Judy Box, Rich Schlenker, Karl Stinson, Mike Werner, Martha Kohler

Solar projects – Karl indicated that a new solar application from 549 Spotted Owl was submitted to the MOD Alterations Dept for their review. It has now been forwarded to the Mutual 68 Board and to the Building Committee for review and recommendation to the Board.

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Cul de sac paving project – Rich outlined the schedule for near-term work by Black Diamond, Mutual 68 contractor. On June 1, they will repair cracks in the asphalt in all the cul de sacs. While this will not require road closure, residents need to be aware of construction work in the streets and potential parking constraints.

On June 3, all cul de sacs, except for Shadowhawk/Woodren, will have a slurry seal applied. This will require a 24-hour road closure. Shadowhawk/Woodren will be sealed on June 10. Dates are weather dependent.

Residents who need to use their cars will need to park them along Grey Eagle/Saklan Indian. Black Diamond will have a notification program for residents. Mutual 68 will have notices in Eaglet/eBlast.

Garage door maintenance – Mike reported that A-Dependable Garage Doors has completed about 145 doors. There are a few that may need to be replaced due to structural degradation. Currently, at least 2 doors need replacement. Cost estimates are being finalized.

Mutual 68 policy is that the Mutual will pay for garage door replacement and the resident is responsible for replacing the automatic opener. Following is quote from the law which requires a new opener if the door is replaced.

“An automatic garage door opener that is manufactured for sale, sold, offered for sale, or installed in a residence to have a battery backup function that is designed to operate when activated because of an electrical outage. The bill would make a violation of those provisions subject to a civil penalty of \$1,000. The bill would, on and after July 1, 2019, prohibit a replacement residential garage door from being installed in a manner that connects the door to an existing garage door opener that does not meet the requirements of these provisions.”

Balcony inspections, SB 326 – John reported that Mutual 68 contractor FWC has completed inspections, as required by law, of most of the balconies and expects to be complete in several days. The structural elements are generally in good condition. However, dry rot has been found in various other wood components, e.g., railings, decks, stairs. A program, including a cost estimate, to repair these findings will be developed with MOD.

Dryer vents – A resident asked Martha to discuss a possible role for the Mutual in a dryer vent cleaning program. The members discussed that the MOD Handyman service provides this service. Also, and importantly, this service requires access to resident property. This is a difficult and time-consuming process. The members suggested an

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Eaglet notice alerting residents of the importance of dryer cleaning and the availability of the Handyman services.

Rick West provided a building maintenance report prior to the meeting which included information items.

INFORMATION ITEMS: Work scheduled, In Progress or Complete

1. **3051 Grey Eagle Drive – Resale inspection. Dry Rot and Roofing repairs. Contractor: Specialty Inspections.**

Resale Home inspection report items. Contractor: Specialty. Cost \$790.00

Dry rot Repairs - Cost \$790.00 (MOD Completed Repairs).

Roofing Repairs – Cost \$625.00 (MOD Scheduling repairs).

Total Cost \$1,415.00

2. **Safety Inspections and maintenance Service Agreement on 222 Garage Doors.**

Contractor: A-Dependable Overhead Door Co. Estimate \$25,530.

MOD's cost to paint a Single Door \$345.00 / Double Door \$391.00.

Martha Kohler will be sent any change orders for approval as needed.

To date - 137 Garage door inspections have been completed.

Work is in progress.

3. **List of buildings that will need further investigation into possible Dry Rot and Metal Flashing issues. Contractor: MOD.**

576 High Eagle Ct. – Soffit Dry Rot. – Destructive testing is scheduled.

537 High Eagle Ct - Flashing and Dry Rot - Destructive testing is scheduled.

535 High Eagle Ct. – Flashing and Dry Rot - Destructive testing is scheduled.

Projects are ongoing weather permitting.

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

T&M Project scheduled for winter 2022 weather permitting.

2021 Budget \$84,000.00.

Work is in progress.

5. 2022 Asphalt Maintenance project update. Contractor: Black Diamond Paving.
Repaving Location Quail Hill Court. Also Crack Sealing and Sealcoating
Cost - \$81,045.00.

Quail Hill Court project has been completed.

6. 614 /616 Redwing Court - Soil erosion and Deck inspection update. Contractors: FWC
and CalEng.

Inspections in Progress.

7. The Mutual 68 SB326 Raised Component inspections will be completed over 2 years in 2
phases

By a Licensed Structural Engineer. Contractor: FWC

Phase I - 2022 - cost \$49,252.00 / Phase II - 2023 - cost \$50,289.00 / Total Cost
\$99,541.00.

A report will be generated after completion of each phase.

Inspections are in progress.

8. 533 High Eagle -Dry Rot Repairs and Woodpecker damage. Contractor: MOD Cost
\$1,265.00.

This project has been completed.

9. 642 Shadow Hawk Railing and Gate Dry rot Repairs. Contractor: MOD Cost \$1,207.50.

This project has been completed.

A motion was made by Martha Kohler and seconded by Alan Lindquist to approve task #1 of the proposal from Cal Engineering and Geology.

Moved, Seconded, Carried 5-0

A motion was made by Martha Kohler and seconded by Peter Yang to approve alteration application #47861 for installation of solar panels, pending an updated insurance form from the contractor to MOD.

Moved, Seconded, Carried 5-0

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

Barbara Blum gave the following report:

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The M68 Landscape Committee met on May 16, 2022, in person. Present at our meeting along with the committee members were the following BrightView employees: Jared Quesnoy, new Associate Account Manager, Eric Anderson, Manager, and Jesus Morales Becerra, Special Projects.

We were pleased to meet the new team and a lively discussion followed regarding maintenance issues, plans for Zone walk arounds, and questions about weed abatement/general weeding. Jared announced that the weed abatement work will be completed by May 31. Jared suggested we remind residents to use the Work Order desk (925 988-7650 or workorder@rossmoor.com) for the requests to remove fallen limbs, leaking irrigation, etc.

Jesus is preparing a proposal for the “as needed” mulch refresh for Phase 1 front areas. We requested that the mulch be “walk on mulch” and not the jet sprayed version so it will match that which was used previously in the front areas. It is more expensive.

The last and very important topic for discussion, was the Tree Plan. BrightView prepared, in 2020, a 5-year Tree Plan for M68. We have not been adhering to this plan, but, instead, have done some removals and pruning as needed. The need at this time is to have an updated Tree Plan. We request that the Board make the decision about how this Tree Plan should be created. Perhaps an independent Arborist could be engaged to develop the plan, as has been suggested by Andy. Once we have a workable Tree Plan, we will be better able to budget for this work and then, also, consider which trees need to be replaced and with which species. It will also be prudent to notify the residents about the plans for tree work in advance of the actual work. We are very aware of the need to take special care of our trees… they are a very important asset.

CIC Committee Report: Peter Yang, Board Liaison; Barbara Walker, Chair

No report was presented.

Social Committee Report: Peter Yang, Board Liaison; Robin Minor & Deanne Gilbert, Co-Chairs

Peter Yang reported the following:

The Mutual 68 Beach- themed Picnic will be held June 25th at 6:00 p.m. at Peacock Plaza and Fireside. It will be catered by Englund's with entertainment by the Rossmoor Ukulele Club. Watch for information in the Rossmoor News and E-Blasts. Invitations will be Emailed. No individual invitations will be placed in mailboxes except for residents not listed on website and new Mutual 68 residents from last 9 months.

Be sure to RSVP to join in the fun. Reservations will definitely close on June 18th.

New Business

- Restate of the M68 Governing Documents: Melissa Ward, Board Counsel, discussed the process of restating M68 governing documents. She advised that the Bylaws and CC&Rs were last done in 2011. Once the drafts are completed, members will hold a townhall meeting to go over the changes, then be sent out for a membership vote. Usually, this project takes about 6 months to a couple years, however Melissa is

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confident that M68 will complete this in a couple months. President Howard will be leading the work group.

A motion was made by Peter Yang and seconded by Alan Lindquist to approve the restatement of the M68 governing documents.

Moved, Seconded, Carried 5-0

- Status update on the formation of Trash Committee for M68: A total of 5 volunteers have come forth. Susan has established a committee charter, which will be presented at the next Board meeting.
- M68 Board Election: Membership ballot tabulation meeting will be held at 11am on June 24, 2022, in the Vista Room at the Hillside Clubhouse. Diane Mader will be the Inspector of Elections.

Adjournment

With no further business to address President Howard adjourned the meeting at 2:25 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