

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD
MONDAY, JANUARY 28, 2019 AT 1:00PM
CREEKSIDE CLUBROOM
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
Steve Hallert, Treasurer
Bob Grotz, Secretary
Lew Armistead, Director

The Mutual Operations Division was represented by Kelly Mattison, Board Services Coordinator; Rick West, Maintenance Manager; Rebecca Pollon, Landscape Manager, and Paul Donner, Mutual Operations Director. Also present was Steve O'Conner, President of 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.....November 26, 2018
Executive Session of the Board.....January 10, 2019
Executive Session of the Board.....January 19, 2019

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

Moved, Seconded, Carried 5-0

Announcements

Next Board Meeting will take place on February 25, 2019 @ 1PM in the Clubroom at Creekside. Bob Heyden has passed away and the Landscape Committee was asked to find an appropriate location to plant a tree in his memory. Tree is being donated by his neighbors.

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.

3101/3103/3113 Grey Eagle Drive Project Update: Steve O'Connor, President of ESR

Steve O'Connor reported that the plans for the wall at 3101 and 3103 Grey Eagle were approved By Phil Gregory. The same plans were submitted to the City of Walnut Creek back in December. The City informed ESR that the plans had to be sent out to a Third Party for

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review. Steve predicts that comments should come back in a week or two. There will be some back and forth with the comments that will take another 1-2 weeks. The earliest date Steve predicts for work to begin is the third week of February. The project is expected to take 6 months to complete with a cost of about \$1,040,000 with a 5% contingency imbedded within that cost.

Unfinished Business

- **Charter- Holiday Décor:** It was reported that this is now part of the Social Committee and this committee is dissolved. Charter is to be removed from the policies.
- **Charter – Database Consultant:** It was reported that this is now included in Community Information Committee. Charter is to be removed from the policies.
- **Charter – Emergency Preparedness:** It was reported this committee will be dissolved. Charter is to be removed from the policies.

A motion was made to remove all 3 charters from the Policy book.

Moved, Seconded, Carried 5-0

Treasurer's and Finance Committee Reports: Steve Hallert and Traude Valachi, Finance Committee Chair

Steve Hallert gave the following December 2018 and Year End Treasurer's Report:

AS you know we are dealing with three segregated funds. The Operating Funds for day to day use, the Replacement Reserve fund which takes care of our long-term projects like repainting, and the Land Stabilization Fund.

The Land stabilization Fund has no exact budget. The 17k was collected per unit and then insurance coverage was found which appears to be covering most of the repairs and costs to date. There is of course some lag time between when we submit a claim for work done and when we get reimbursed. All of this is handled through counsel. The Land stabilization fund has 3,673,576 consisting of some of the insurance proceeds and the 17k assessments. The forecast to complete project is \$1,168,789 leaving us with about \$2.5 million. After adding in additional expected insurance proceeds and providing a reserve of \$700 k it is predicted that if nothing else goes wrong and we are right on our costs, and it never rains in California \$3,104,787 would be left or \$13,212 per unit. They have not even started on the second wall. It is recommended that there be no distribution until the project is completed.

On the Reserve Fund the painting is completed. For 2018 we were over budget by about \$65k on all the reserve projects. We do five-year projections and taking into consideration the big landscape commitment we have this year and next year we still should have about \$1.8 at the end of 5 years.

The General Operating fund wound up about \$11k to the good for the year. We were over budget on carpentry repairs, termite control, lighting and plumbing insurance and legal fees. We were under budget on rain leaks, pest control, water and some sales tax and regulatory fees. Even though our budget committee increased the cost of the Mutual 68 insurance by 23% we have just learned that the actual increase to our mutual will be 46%. This will affect 2019 to the tune of an additional unplanned for \$25k.

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Excess cash is invested in CDRs paying about 2.17 per cent currently is and rolled over every 4 weeks.

- **Review of the December Financial Statements:** Steve went over the December Dashboards.
- **Status of Potential Land Stabilization Fund Distributions:** It was reported that the earliest start of the 2nd wall project is the 3rd week of February and it will be a at least a 6-month project, as stated by Steve O'Conner in his report. No distributions will be made until the project is completed.
- **Earthquake Insurance:** Traude Valachi reported on an SIR/Hybrid option. Earthquake insurance is still being considered and the committee will provide any information that the Board requests. This is a board decision and not a committee decision.
- **Owner Acknowledgement of MOD billable work:** It was reported that this is being worked on by the Finance Committee.

Traude Valachi gave the following Finance Committee Report:

1. CDAR rates are currently 2%
2. Membership: Judy Harris has resigned, leaving 7 members of the committee.
3. For the upcoming year the committee will be concentrating on the following items:
 - a. Review of the Charter: to make sure the committee is doing what they are supposed to be doing; to recommend to the Board any changes that should be made to the charter based on current issues, conditions, etc.
 - b. Review the dashboard schedules for improvements: for efficiency of getting the data; to assess the value of the information content
4. Earthquake Insurance:
 - a. SIR (self-insurance retention) or hybrid option: An SIR example was given; no recommendation from the finance committee – only 3 members at the November committee meeting.
 - b. Still working on clarifications of the CC&Rs as to consistency with the proposed Mutual earthquake insurance options and the CEA (California Earthquake Authority) insurance available to individual unit owners.

Landscape Report/Landscape Committee Report: Rebecca Pollon, MOD, Barbara Blum, Committee Chair (Gail Todoroff, Board Liaison)

- **Presentation on Landscape Rehab--Phase II and III – Curtis Kaul, Brightview:** A Power Point presentation was given by Curtis.
- **Contract Approval—Rehab for Phase II:** A motion was made to approve the Brightview Phase Rehab proposal in the amount of \$190,155.49.
Moved, Seconded, Carried 5-0
- The Board announced the renewal of the Brightview maintenance contract
- **GRF Fire Abatement and GRF landscaped property memos from Tim O'Keefe:** Motion: Original landscaping within Eagle Ridge that is on GRF property will remain the responsibility of Mutual 68 for rehabilitation and maintenance. Golden Rain Foundation requires their approval for any additions to originally landscaped areas.
Moved, Seconded, Carried 5-0
Motion:
This motion is based upon the following representations:

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1. Tim O'Keefe, GRF CEO and Rebecca Pollon have confirmed that GRF at GRF's expense will arrange for proper maintenance of the trees and fire ladder fuel in GRF-owned areas, in accordance with the guidelines published by the Contra Costa County Fire Protection District. This does not include aesthetic maintenance of trees or maintenance pertaining to preservation of views.

2. Those guidelines prescribe the provision of defensible space within 30 feet of structures, a reduced fuel zone 30-100 feet from structures and weed abatement standards based on parcel size.

Based upon and subject to those representations, Mutual 68 will provide for weed abatement at Mutual 68's expense within 100 ft-from-structure area without regard to Mutual or GRF ownership.

Moved, Seconded, Carried 5-0

- **Defensible Space—Wildlands Interface Beyond 100 feet:** The Board asked what it would cost to go out to 200ft.

The following landscape committee report was given in the Board packet in Barbara's absence:

The Mutual 68 Landscape Committee met on January 15, 2019. We are very pleased with the 5-year contract recently signed by the Mutual and BrightView. We are looking forward to working together to achieve the goal of creating a pleasing and well-maintained landscaping throughout Eagle Ridge.

In that vein, the Committee is very eager for the upcoming landscape rehab of Phases 2 and 3 to begin. The plans outlined by BrightView are as follows, weather-permitting:

PHASE 2:

- Shadowhawk Way/Woodwren - begin the second week of February
- Spotted Owl and Quail Hill - March
- Grey Eagle (up to where Saklan Indian intersects) - April

PHASE 3:

- Grey Eagle (from intersection of Saklan Indian to end of street) and Saklan Indian - depending upon summer weather conditions, work will immediately follow the completion of Phase 2 or, if necessary, wait for cooler Fall temperatures. Both phases will be completed this year.

What will the new landscaping in the front and sides of our residences look like? Take a look at the completed section of our Mutual, Phase 1 which includes High Eagle, Falconwood, Foxwood, Red Wing Court and Grey Eagle up to Sunset Park. We are expecting a consistent look throughout Eagle Ridge, but each building will be designed to conform to the particular requirements at each address.

The Committee also discussed the project which includes making the request of the City Arborist to get permission to remove a few Reforestation Oaks which are, at residents' expense, pruned each year. In their place, trees would be planted in more appropriate locations. We would, of course, be very mindful of slope stabilization and those trees which are key in holding the soil on hillsides would not be on the list to be removed. The Committee

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is taking the next step which is to write a letter to the Walnut Creek City Council explaining our wishes and concerns.

Social Committee Report: Lew Armistead

Lew Armistead gave the following Social Committee Report:

The Social Committee met earlier this month and recommended that the Board appoint Judy Harris chairperson and Lonna Wolf vice chairperson to replace Wendy Dorband who recently resigned.

The Committee agreed on a date for the Mutual 68 Spring Brunch— Saturday, April 20, in the Fireside Room, Gateway. Assignments for the brunch were given, and the Committee will discuss details at its February 28 meeting. Three caterers will be asked to make bids for the food. This date is under consideration to be changed.

Finally, the Committee reviewed the highly successful Holiday Gala, which attracted 200 Mutual 68 residents, the largest in memory. A financial report, which is attached, was presented, showing receipts of \$10,270 and expenditures of \$10,438.87. This still leaves the Committee with a substantial reserve.

- **Judy Harris recommended for Board approval as new Chair and Lonna Wolf as Vice Chair:** A motion was made to approve Judy Harris as Chair and Lonna Wolfe as Vice Chair.
Moved, Seconded, Carried 5-0
- **Spring Brunch Date:** It was announced that the Spring Brunch date is being moved to Saturday May 4th, 2019 in the Fireside Room of Gateway.

Community Information Committee Update: Barb Walker, Committee Chair (Lew Armistead, Board Liaison)

Lew Armistead gave the following report:

The Community Information Committee met Jan. 14 and welcomed new member Susan Fisher, who will serve as secretary.

Chris Slee and Barbara Walker presented an update on the Website Task Force which is currently collecting data that will go onto a new password-protected site. The task force is also determining what categories will be on the site. The task force met again last Thursday.

Changes to *The Eaglet* were outlined by Lew Armistead including the use of photos, and short items of interest to residents. In an effort to have more information about interesting things people in Eagle Ridge have accomplished, the committee is building a cadre of reporters assigned to geographic areas who will seek out information and write short articles. A group of residents who volunteered to be reporters met last Wednesday to review the project.

Casey Dixon, chair of the Welcoming Sub Committee, reported that there have been no new residents since her last report.

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Committee members are Barb Walker, chairperson; Susan Fisher, secretary; Casey Dixon; Vickie Hipkiss; Jo Jones; Diane Mader; Chris Slee; Tricia Spiegel; and Lew Armistead, Board liaison.

Emergency Preparedness Update: Ralph Anthenien, Lead (Bob Grotz, Board liaison)

Ralph Athenien gave the following report:

The following actions have occurred since the last Board meeting held on November 26, 2018 (no board meetings held in December 2019):

- a. Equipment needs being determined for each of the ten zones. An inventory is being conducted of all equipment/forms/etc. on hand.
- b. An updated communications plan is being developed with the Communications Committee (Lew Armistead is our contact) Monthly “bursts” to the residents on DP Items of interest will be developed.
- c. The updating of Resident Information Sheets is continuing
- d. A training Plan has commenced with “train the trainer” sessions being given to all zone coordinators on Feb 6th and Mar 6th. Items include emergency water shut off, electric shut off, manual garage door access, fire extinguisher usage, etc. Exercises and Practice Assemblies are being planned to commence in April and May for residents.
- e. Meetings are being set up with Securitas and the GRF Safety Manger to discuss the methods and instructions for an evacuation from the area if necessary. More to come on that topic.
- f. A yearly calendar of M68 DP group meetings has been established for 2019.

Ongoing Activities:

- a. Continued to purge and update rosters, continuity binders, and collect information on available equipment being maintained to include radios, horns, tape, flashlights, gas shut off wrenches, whistles, first aid kits, etc.
- b. Inventories of Lock Boxes, equipment and other materials will continue until complete.
- c. Assist in the review and revision of the DP Charter as appropriate. The role and expectations of the Disaster Preparedness Group must be clarified by the M68 Board to insure the DP Group functions as expected and stays within the appropriate boundaries set by the M68 Board.
- d. Develop a training plan for the next 12 months to include a communications plan. The training plan will include training for both the DP Group as well as M68 residents.
- e. Develop a 2019 Exercise plan for both the DP Group as well as for M68 residents
- f. Coordinate activities, needs and plans with other groups within Rossmoor to include the EPO as appropriate.

Building Committee Report: Rick West, Building Maintenance Manager; Mike Casey, Chair of the Building Committee (Bob Grotz, Board Liaison)

Rick West presented the following building maintenance report:

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Action Items:

1. 2996 SI Rear Deck Coating – Contractor Estimates: Perfect Painting & A One Construction.
2. 534 SO – Air Duct replacement – Contractors: Clean Air estimate \$4,400.00 All Bay HVAC (waiting for estimate).

Information Items: Work Scheduled, In Progress or Completed

1. 501/503 Falconwood Tree damage repairs to the building – Contractor: AMAC cost \$6,915.00. (Work Completed).
2. 3012 GE Front Landing and walkway and rear deck Coating – Contractor: Perfect Painting \$6,665.00. (Work Completed).
3. 2996 SI Front landing / Sheer wall and Termite Damage Repairs - Contractor: AMAC Cost \$34,454.00. Front landing Excel Coating: Perfect Painting Cost \$3,040.00. Termite treatment Cost \$495.00 (Work Completed).
4. Painting of all 4 plex white stair safety strips and installation of new peel and stick non-skid strips on landings - Contractor: MOD (Scheduled).
5. Phase III Roof Tune up for 22 Buildings – Timberline Roofing (Waiting for Contractor Proposal).
6. Gutter Cleaning – Contractor: Perfect Painting scheduled for 2 cleanings. Total Cost \$23,000.00 First Cleaning November 2018. (Work Completed). 2nd Cleaning scheduled for February.
7. B & C Garage Doors will be putting together a proposal for installing new garage Doors as needed.

- **Timberline Roofing Bid for Phase III:** A motion was made to approve the Timberline Roofing bid at a cost of \$126,840 for Phase III roofing project.
Moved, Seconded, Carried 5-0
- **2996 Saklan Indian rear deck coating:** A motion was made to approve the perfect Painting bid at a cost of \$2,2090 for the 2996 Saklan Indian rear deck coating.
Moved, Seconded, Carried 5-0
- **534 Spotted Owl air duct replacement:** The board reviewed one bid from Clean Air to replace all the duct work at 534 Spotted Owl and requested an explanation for entire replacement as well as a second bid.
- **Alteration Permit # 42853:** A motion was made to approve alteration permit #42853 for reconfiguring the family room slider and window arrangement to change a hinged door and larger window, as well as relocating the living room fireplace vent from the side of the residence to the roof.
Moved, Seconded, Carried 5-0

Adjournment

President Walker adjourned the meeting at 2:44 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.

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A handwritten signature in blue ink, appearing to read "Kelly Patterson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Assistant Secretary