

# WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD  
MONDAY, APRIL 23, 2018 AT 1:00PM  
CLUBRRROM - CREEKSIDE  
1010 STANLEY DOLLAR DR., WALNUT CREEK, CA 94595

## **Call to Order**

President Free called the meeting to order at 1:00 p.m.

## **Roll Call**

**Directors Present:** Diane Mader, Vice President  
Dwight Walker, Treasurer  
Gail Todoroff, Secretary  
Bill Dorband, Director

**Directors Absent:** Brant Free, President - excused

The Mutual Operations Division was represented by Paul Donner, Director of Mutual Operations; Kelly Mattison, Board Services Coordinator; Rebecca Pollon, Landscape Manager; also present was Steve O'Conner with ESR and Melissa Ward with Hughes Gill Cochrane and Tinetti.

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

## **Approval of Meeting Minutes**

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

Regular Meeting of the Board..... March 26, 2018  
Executive Session Meeting of the Board ..... March 26, 2018

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

**Moved, Seconded, Carried 4-0**

## **Announcements**

The next meeting of the Board will be held on Tuesday May 22, 2018 at 1:00 p.m. in the Donner Room of the Event Center.

## **Members' 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.

## **Update on Soil Stabilization & Remediation @ 3101/3103 & 3113 Grey Eagle Drive: Steve O'Conner, ESR and Bill Dorband, Board Member**

Steve O'Connor, president of Engineered Soil Repairs (ESR), reported on repairs that were made during the past month. The emergency retaining wall was completed. Twelve steel tiebacks will anchor the wall at six and twelve-foot depths and will be encased in concrete to protect them from corrosion. This part of the project should be finished by the end of the week. This is being undertaken to ensure there is no further land movement and to protect 3113-3115 GED.

## WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

Last month we reported that the area of 3101/3103 would be terraced with three retaining walls totaling 100 feet. The alternative is to continue the present wall. Mr. O'Connor will meet with Kevin Ryan and Phil Gregory, Mutual 68's geophysicists and representatives, to determine which alternative will produce the greatest stability, provide the most usable area, and is most aesthetically pleasing.

The Board was promised firm numbers on new costs that resulted from the necessary revisions to the project within two weeks. The completion date is expected to be September.

### **Financial Report/Finance Committee Report: Dwight Walker, Treasurer and Judy Box, Chair of the Finance Committee**

Enclosed as "Attachment 1", the March 2018 financial report/dashboard was presented by Dwight Walker. Here are some highlights from the Finance Committee's report:

- Mutual 68's cash position remains strong with the exception that we still need to grow Reserve Funds. CDARs were purchased on April 5 to invest excess cash at 1.45%.
- Special assessment loans receivable has been reduced by two loans that have been paid off. The Mutual Operations Division is paying down the Mechanics loan in April to match the amount due from homeowners.
- Operating Fund expenses are unfavorable to budget by \$4,649 due to rats, termites, insurance, and lawyers.
- The Reserve Fund has \$303,551 in budget items that have not been committed yet, but only \$272,999 left in the budget.
- Land stabilization costs are now projected at \$4,597,000 but significant unknowns remain with the lack of finalized ESR change orders and ancillary costs such as permits. In addition, insurance proceeds are not actualized until they are deposited in the bank.
- The Finance Committee continues to consider potential distributions from the Land Stabilization Fund but recommends that the Board wait until insurance payments are received and 3101/3103/3113 project costs are final. It may take until the end of the year until all of this happens. In the meantime, remember that any distributions in the future will be made to current owners of a unit, regardless of who made the original assessment payment.
- The Finance Committee is investigating earthquake insurance and plans to complete its report for the annual meeting in June.
- The Audit Report for the year ending December 31, 2017 was completed by the CPA and the committee recommended a few changes that included typos and the Committee is now recommending its approval to the Board. A motion was made as follows: The Board of Directors of Walnut Creek Mutual No. Sixty-Eight hereby resolves to accept the Association's audit report for the year ended December 31, 2017, as prepared by Porter & Lasiewicz, CPAs.

**Moved, Seconded, Carried 4-0**

### **Building Maintenance Report/Building Maintenance Committee: Paul Donner, Mutual Operations Director; Mike Casey, Chair of the Building Committee**

**Rick West presented the following building maintenance report:**

# WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

## **Action Items: Proposal review and Approval**

1. Phase II Roof Tune Up 30 Buildings – Out to Bid – Deadline 5/1/18.
2. Inspection of Phase II Four Plex Front landing repairs. (Destructive Testing and Scope of Work will go out to bid the first of May)
3. New LED light bulbs for all exterior lights - Waiting on price quote from Alpha Lighting.

## **Information Items: Work Scheduled, In Progress or Completed**

1. 2966 SI - Retaining Wall Repairs due to Fallen tree - Contractor; Acustruct (Completed).
2. Phase III Painting - Contractor; Pacific Trim Project is scheduled to begin Summer 2018. (Scheduling)
3. Phase III Dry Rot Rehab - MOD (Work in progress).
4. 2842 SI - New duct work install due to rodent damage. Contractor; Clean Air (Scheduled 4/23/18).

## **Landscape Report/Landscape Committee Report: Barbara Blum, Chair of the Landscape committee; Gail Todoroff, Board Liaison to the Landscape Committee; Rebecca Pollon, Landscape Manager**

### **Barbara Blum gave the following landscape report:**

- The committee has not had any meetings for the last 30 days.
- 16 back yard areas have been completed and there is one new request.
- The committee has requested mulch, without plantings, for erosion area at 2966 Saklan Indian
- Two rosemary removal areas still need to be done

### **Landscape Manager Rebecca Pollon gave the following landscape report:**

#### **Tree**

- Fallen trees on the west side of Saklan Indian have been addressed. As per standard the flammable foliage has been removed and large stumps and trunks have been left in place to decompose naturally and contribute to habitat.
- The tree stump behind 2968 Saklan Indian is scheduled to be addressed this week.

#### **Irrigation**

- ET water has scheduled the replacement of M68 controllers for this week per the contract approved at last month's board meeting.

#### **Discussion items**

- Fire Abatement: Attached is a proposal to perform fire abatement up to 100' from buildings for \$4,400.

The Board has tabled the proposal until the next board meeting.

#### **President's Report: Diane Mader, Vice President**

Vice President Mader reported on the most recent Presidents Forum. GRF CEO Tim O'Keefe

## WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

announced that the Fitness center passes have arrived. They are being tested and should be ready within a month. Since 4000 residents have registered, they will be rolled out in stages. Once the guest pass system is operational, the guest fee will begin for guests. To ensure that GRF facilities are only used by residents and accompanied guests, the GRF is implementing a program to require co-occupants to prove that they live in Rossmoor.

### **Report of Other Standing Committees**

**Community Information Committee:** Vickie Hipkiss, Chair – a report was not presented

**Data Base Committee:** Vickie Hipkiss, Interim Chair – it was announced that Barbara Walker has been appointed to the Data Base Committee.

**Social Committee:** Wendy Dorband, Chair – 95 people attended the Champagne Brunch and 20 of them were new members. The committee has 3 new members and there is always room for more. August 11<sup>th</sup> will be the summer picnic. The picnic will take place in Peacock Plaza at Gateway. The committee will be meeting on May 2<sup>nd</sup> at 3:30 p.m. at Bill's house and planning for the summer picnic.

**Welcome Team:** Casey Dixon, Chair – a report was not presented.

### **Unfinished Business**

**Revised Solar Policy:** Although the Mutual's attorneys revised parts of the proposed Solar Policy, the Board asked for further clarification of the term "equitable allocation of a building's useable solar roof space" and to bring this to the Board next month.

**Status of Approved Surveillance Policy:** The approved Surveillance Policy will be mailed to residents for comments when the Solar Policy is approved. That is expected to occur next month.

**Status of EBMUD Microwave Tower Project:** The Board wrote a letter to Assemblywoman Catherine Baker and Senator Steve Glazer concerning EBMUD's proposed location of two 45-foot antennas in Alamo. This location is in full view from Saklan Indian Drive, and EBMUD has alternative locations available.

### **Adjournment**

Vice President Mader adjourned the meeting at 2:54 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.



---

**Assistant Secretary**

# WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

## Attachment 1

Mutual 68 Financial Dashboard March, 2018					
	Operating Fund	Replacement Reserve	Land Stabilization		
<b>Cash and Investments:</b>				Int Rate	<b>Balance Sheet Notes:</b>
City National Bank Checking Operating	21,906	-			Residual Lock Box Activity and Balance Shea Escrow fund held by Attorney CDARS 4 wk w/Mechanics purchased 4.5.18 @1.45%
Shea Settlement in Escrow		15,022			
Mechanics Bank	167,650	708,718	3,754,446	0.00%	
<b>Total Cash and Investments</b>	<b>189,556</b>	<b>723,740</b>	<b>3,754,446</b>		
<b>Resident Accounts Receivable</b>	632				
<b>Special Assessment Loans Receivable</b>			646,637		
<b>Accounts Receivable Other</b>	3,793	1,814			
<b>Prepaid Expenses</b>	98,863		60,964		Prepaid Insurance in Ops
<b>Due to (from) other Funds</b>	(1,799)	14,721	(12,922)		
<b>Mechanics Bank Loan Payable</b>	-	-	687,760		Paydown of loan in April to match receivable
<b>Ending Fund Balances</b>	<b>195,404</b>	<b>767,942</b>	<b>3,710,490</b>		
					<b>Major Op Budget Variances:</b>
<b>YTD Revenue:</b>					<b>Fav/(Unfav)</b>
Actual	473,031	229,489	8,603		
YTD Operating Budget	473,007				
Total Year Reserve Budget		917,955	-		
Operating Fav/(Unfav)	24				Carpentry Repairs (Rodents) (5,045)
Reserves Remaining Budget		688,466	8,603		Termite Control (5,356)
					Insurance (6,875)
					Water 8,487
					Legal Fees (4,099)
<b>YTD Expenses:</b>					
Actual	441,182	14,718	41,551		
YTD Operating Budget	436,533				
Total Year Reserve Budget		815,607	-		
Operating Fav/(Unfav)	(4,649)				
Reserves Remaining Budget		800,889			<b>Identified Major Variances Total (12,888)</b>
<b>YTD Excess(Deficiency)Rev over Exp:</b>					
Actual	31,849				
Budget	36,474				
Fav/(Unfav)	(4,625)				
<b>Reserve Fund Expenses Projection</b>					<b>Reserve Fund Expense Notes:</b>
2018 Budget		815,607	-		<b>Fav/(Unfav)</b>
Commitments by Board to Date		542,608	4,597,000		Painting Phase 3 contract (15,890)
% Committed		67%			Carpentry (8,878)
ESTIMATED Insurance Proceeds			4,450,000		
% ESTIMATED Recovery			97%		
Attachments: Balance Sheet, Op LSFund and Reserve Income/Expense Detail and Reserve and LSFund Projections					