

WALNUT CREEK MUTUAL SIXTY-EIGHT (EAGLE RIDGE)
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, MAY 23, 2016 1:00 P.M.
BOARD ROOM, GATEWAY CLUBHOUSE
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

President Barbara Blum convened the Regular Meeting of the Board of Directors of Walnut Creek Mutual Sixty-Eight at 1:00 p.m. on Monday, May 23, 2016 in the Gateway Board Room, 1001 Golden Rain Rd., Walnut Creek, California 94595.

<u>ROLL CALL</u>	PRESENT:	Barbara Blum	President
		Diane Mader	Vice President
		Bill Dorband	Treasurer
		Brant Free	Secretary
		Larry Cahn*	Director

**Via tele-conference*

Mutual Operations staff was represented by Rick West Building Maintenance Manager and Sharon Fees, Board Services Coordinator.

Three additional Mutual members were present.

Barbara Blum welcomed Board Directors, staff, and the other Mutual members. She thanked everyone for their attendance.

APPROVAL OF MINUTES

Barbara Blum asked if there were any additions or corrections to the following minutes:

Regular Meeting of the Board – April 25, 2016

Executive Session of the Board – April 25, 2016

Special Executive Session of the Board – May 18, 2016

Hearing none, the minutes were considered approved.

ANNOUNCEMENTS

Blum announced that the annual meeting will take place on June 13, 2016, in the Fireside Room at Gateway and that the next regular meeting of the Board will take place beginning at 1:00 p.m. on Monday, June 27, 2016, in the Gateway Board Room.

MEMBERS FORUM

No presentations were made.

FINANCIAL REPORT -- Bill Dorband

MEMBER ASSESSMENTS ARE CURRENT AT \$783 PER RESIDENCE FROM 235 UNITS. THE ALLOCATION IS \$130 TO RESERVES OR \$367,224 ANNUALLY. GOLDEN RAIN FOUNDATION RECEIVES \$240 PER COUPON AND MUTUAL OPERATIONS DIVISION IS PAID \$43.23 FOR ADMINISTRATION SUPPORT.

SPECIAL ASSESSMENTS HAVE ALL BEEN COLLECTED, FOR A TOTAL OF \$587,500, EXCEPT FOR TWO REMAINING PAYMENTS.

A MAJORITY OF THE EXPENDITURES FOR CAPITAL PROJECTS FROM THE RESERVE FUND OF \$158,807 INCLUDE BUILDING STABILIZATION, SPECIAL CARPENTRY AND RETAINING WALL COSTS. WHILE IT IS EXPECTED THE RESERVE FUND IS ADEQUATE FOR KNOWN PROJECTS AND FUTURE ANTICIPATED REPAIRS AND REPLACEMENTS, EXPENSES OF THE KIND THE MUTUAL HAS INCURRED IN THE RECENT PAST MAY REQUIRE ADDITIONAL RESERVES.

WATER USAGE FROM 2014 TO 2015 WAS REDUCED BY 25%, OVERALL, AS PREVIOUSLY REPORTED. WATER BILLS ARE PAID BIMONTHLY. THE ANNUAL BUDGET FOR WATER IS STATED ON A PRORATA MONTHLY BASIS AT \$25,000 PER MONTH. SEASONAL USAGE DURING THE WARM MONTHS SHOULD BRING THE TOTAL ANNUAL COST CLOSER TO THE TOTAL ANNUAL BUDGET.

LANDSCAPE MAINTENANCE – REHABILITATION IS NEGATIVE EXPENSE, WHICH REPRESENTS CREDITS FROM EBMUD FOR WATER CONSERVATION WORK DONE IN RECENT MONTHS. OUR REMAINING BUDGET IS INCREASES FROM \$20,000 TO \$26,670 AS A RESULT.

SINCE MUTUAL 68'S CURRENT RESERVE BALANCE EXCEEDS \$250,000, THE BOARD RECENTLY APPROVED AN INVESTMENT PROGRAM THROUGH MECHANICS BANK WHICH WOULD PROVIDE FOR A RETURN ON OUR CASH BALANCES, BUT ALSO OBTAIN FDIC PROTECTION OF \$250,000 PER ACCOUNT FOR SEVERAL ACCOUNTS.

BUILDING MAINTENANCE -- Rick West

3146 GE: The structural engineer's report was received. The landings that were identified as problematic are 3146 GE, 3154 GE, and 3158 GE.

More dry rot was discovered and it is expected that the costs for repairs will now be ~\$8,000. 3154 GE is being prepared for destructive testing and 3158 GE is in the queue.

10-year Battery Smoke Detectors: Five Star began this project on April 18. This continues to be a work in progress.

2016 Asphalt: Silicon Valley Paving was hired to perform the asphaltting on all of the cul de sacs in Eagle Ridge for the amount of \$25,467.30. Grey Eagle south-bound side plus the cul-de-sacs on the west side will be done on June 6. Grey Eagle north-bound side plus the cul-de-sacs on the east side will be done on June 7.

2842 SI: Water intrusion was discovered at the back door threshold. Estimates were presented to the Board for this repair.

606 SH: A water leak was discovered at the dormer vent. Five Star has been hired to do this repair for \$1,350.

2846 SI: A long occurring water heater leak was finally discovered. The dry-out is being performed by ServPro and will be covered by the homeowner's insurance.

Follow-up Items:

Overflow Protection Devices: Davis Plumbing will honor the same pricing as last year for Phase II of the overflow protection device installation. This is a work in progress.

Water Pressure Regulators: It was discovered that some water pressure regulators are reading at 105 psi (pounds per sq. inch). This is too high; psi should be from 50 – 60. It was further discovered that not every building has a water pressure regulator, which each one should. Some regulators found were calibrated correctly but others were reading too high. Davis Plumbing was solicited for an estimate for the adjustment of existing regulators and the installation of regulators where none exist. Davis presented a bid for \$6,086.94 to install six pressure regulators. The Board asked West to get multiple bids for this project.

606 RW: The installation of the retaining wall and drainage system is complete. The new fence installation by Eagle Iron is a work in progress. A homeowner wanting some upgrading to the fence which she has agreed to pay.

2016 Phase I Painting project: Pacific Trim Painting began this work on May 9. It is taking approximately two days per building.

Phase I Painting Rehab: The carpentry dry rot rehab for Phase I Painting is ongoing and will be completed within three weeks.

Rear Balcony Inspections: Jim Hogue is performing these by appointment only. This project is on-going.

West fielded board director questions and concerns.

REPORT ON THE PRESIDENTS' FORUM -- Barbara Blum

Co-occupancy

Co-occupancy is not defined in any of the Mutuals' Governing Documents, thus it causes a problem when Presidents are asked to approve Co-occupant Registration Applications. It is known that some who have the designation as a co-occupant do not, in fact, reside in the unit. On the other hand, some residents who do not reside in the unit have a co-occupant registered who does live in the unit. GRF will, after discussion with Tony Grafals, research the derivation of the term, coined by GRF, and share the definition with the Mutuals.

Golf Cart Registration

Dennis Bell discussed the development of the Golf Cart Registration sticker and software in preparation for the expected onset date of July 1 pending approval by the GRF Board at their May 26th Board Meeting. Public Safety will provide each Mutual with a listing of the golf carts registered in their Mutual with the designation of gas or electric.

Marin Clean Energy

Tim O'Keefe discussed Walnut Creek's mandatory conversion to Marin Clean Energy as of September. That means that we, both individuals as well as the Mutuals, will receive their energy from Marin Clean Energy, an energy aggregator, distributed by PG&E. We will be billed by PG&E with a charge from them added to our bills. Marin Clean Energy will have 50% of the energy derived from clean energy sources, such as wind, hydro, solar = 63% will be carbon free. PG&E has been only 30% clean energy. Residents can upgrade to 100% clean energy with associated extra charges. Residents can opt out of this program and remain with PG&E for the first 60 days free, then it will be \$5/month to opt out. In total, the new program (MCE + PG&E's billing charges = 4% higher than we are now paying.)

REPORTS OF STANDING COMMITTEES

BUILDING COMMITTEE -- Jack Cassidy, Chair,

No report was given.

CIC -- Vickie Hipkiss, Chair Diane Mader, Liaison

The next issue of TERN will come out in July. The Board came up with several possible topics for this upcoming issue. They include hot water heater replacement, painting, trash can placement, financial report, and dryer vent cleaning.

EMERGENCY PREPAREDNESS -- Brant Free, Chair and Liaison

No report was given.

LANDSCAPE -- Barbara Blum, Chair; Brant Free, Liaison

Barbara Blum reported that the Committee will have landscape rehab done in coordination with the painting cycle. After each phase gets painted, some landscaping rehab will take place.

A motion was made, seconded, and unanimously approved to grant the Torngs of 618 SH to allow them to purchase a tree to replace one that had perished in the lawn by their home. The Mutual will plant the homeowner-purchased tree and will install a bubbler for it.

SOCIAL – Wendy Dorband/Elaine Harris; Bill Dorband, Liaison

Bill Dorband reported on behalf of the Committee.

On Saturday, April 30 the annual Spring Brunch was held in the Fireside Room at Gateway. There were 85 attendees. Just Delicious will cater the event and the food was very well-received. Dwight Stone played the piano. The Summer Picnic will be held at Peacock Plaza on August 8. Invitations for the Summer Picnic will be distributed closer to the event date.

Dorband encouraged residents to volunteer and to offer their ideas for the Mutual's social events.

HOLIDAY DECOR -- Mike Casey, Chair; Diane Mader, Liaison

No report was given.

DATA BASE -- Jo Jones, Chair; Vickie Hipkiss, Co-Chair

No report was given. Jo Jones is back working in the data base.

COLOR PALETTE – Brant Free

Door colors are being presented to neighbors by the Committee and resident choices are being compiled into a report by the Committee to be provided to Pacific Trim painting.

UNFINISHED BUSINESS

Bill Dorband reported that after research he has concluded that a Finance Committee is not necessary for Mutual 68. He does recommend that Mutual 68 create an ad hoc committee to deal with the budget preparation each year.

NEW BUSINESS

Alteration Applications:

715 Woodwren for Solar: Bill Dorband moved and Diane Mader seconded to approve the request for the installation of solar after she meets approval by 67 ½ percent of the Mutual membership. The motion passed unanimously.

552 Spotted Owl for interior wall removal: Brant Free moved and Bill Dorband seconded to approve the request to have an interior wall and fireplace removed as this is not a load-bearing wall. The fireplace will be moved to the outside wall. An arrestor will have to be moved slightly that currently exists on the outside wall. This is not visible from the street view. The motion passed unanimously.

ADJOURNMENT

With no further business to discuss, the May 23, 2016 Mutual 68 board meeting recessed to an Executive session at 2:47 p.m.



Sharon Fees, Assistant Secretary
Mutual Sixty-Eight

- a) In Executive Session held after the Open Session, the Board met with a homeowner upon the owner's request to discuss a policy violation matter.

- b) A Special Executive Session of the Board was held on May 18, 2016 in the Bunker Room at Creekside. In attendance were all Board Directors and, Michael Cochrane, Esq. of Hughes, Gill, Cochrane, and Phil Gregory of Cal Engineering.

The topic of discussion was an update on the earth movement issue at 3101 and 3103 Grey Eagle.