

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING MINUTES OF THE BOARD
MONDAY, AUGUST 27, 2018 AT 1:00PM
EVENT CENTER – DONNER ROOM
1021 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
Bill Dorband, Treasurer
Bob Grotz, Secretary

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 Phil Gregory with Cal Engineering.

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 July 23, 2018
Executive Session..... July 23, 2018

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

Moved, Seconded, Carried 4-0

Announcements

Next Board Meeting: September 24, 2018 at 1:00PM in the Creekside Clubroom.

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.

Nominating Committee Report: Dwight Walker

Dwight Walker reported that Rich Racimora resigned from the board, effective August 19, 2018 due to health reasons. In addition, Bill Dorband has submitted his resignation, effective October 31, 2018 due to his added responsibilities as GRF Finance Committee Chair.

In accordance with the Mutual's Bylaws, these vacancies will be filled by the Board and no election will be required.

Barbara Blum, Brant Free and Dwight Walker, Nominating Committee members, will be submitting names to the board for consideration in the upcoming weeks to fill these positions. Interested members are asked to contact Barbara, Brant or any Board Member if they are interested in being considered for the board.

3101/3103/3113 Grey Eagle Drive Project Update: Bill Dorband and Kevin Ryan, Ryan Geological

Phil Gregory of Cal Engineering and the board's project manager attended the meeting and reported on a recommended solution for the lots at 3101/3103. He and the engineering and geological consultants have agreed on a 25-foot retaining structure with 24 large diameter piers that will stretch across the lots from the 3113 GE buried wall. This new structure is designed to protect the integrity of Grey Eagle Drive and has been determined to be the most cost-effective option with a satisfactory Factor of Safety.

Phil reported that ESR is ready to move forward in obtaining permits during September and hopes to complete the project by the end of November.

At this point, this project is expected to be reimbursed by the insurance companies.

Bill Dorband reported that releveling is complete and interior repairs to 3113 GE are expected to be completed within the next 10 days.

Board Mission Statement: Dwight Walker

The Board reviewed and announced the following proposed mission and vision statements:

Mission Statement

The mission of the Board of Mutual 68 is to preserve and enhance the buildings, common areas and other property of the Mutual by upholding our Covenants, Conditions and Restrictions (CC&R's) and Policies. The Board will serve the homeowners by taking a fair, ethical and objective approach in representing the interest of all residents.

Vision Statement

Mutual 68 (Eagle Ridge) is a place that we are all proud to call home—a community of friendly, caring and respectful neighbors who cooperate with each other to promote a premier neighborhood within Rossmoor.

A motion was made to adopt the Mission Statement and Vision Statement.

Moved, Seconded, Carried 4-0

Financial Report/Finance Committee Report: Bill Dorband, Treasurer and Traude Valachi, Finance Committee Chair

Bill Dorband, Treasurer gave the following report:

The cash position in the Operating Fund is over \$200,000, with several bills expected soon from painting and related work. Our Replacement Reserve has an account balance of over \$600,000, with an expectation of ending the year at over \$600,000 after current capital activities are completed for the year.

The Land Stabilization Fund currently has over \$3.6 million. Most of that plus \$450,000 of

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

Reserve funds are in CDAR's, earning 1.54%.

Budget meetings were held relating to Landscaping and Building activities, in anticipation of a MOD draft for our 2019 Mutual 68 Budget. The Finance Committee is currently reviewing that first draft and preparing for a meeting with MOD personnel on September 18 to finalize much of the budget. Final budget numbers will not be available until after the GRF fee is determined, at the end of September.

Copies of the Dashboard, Reserve's 5-year projections and Land Stabilization activities are on the Mutual 68 website and were presented during the meeting.

Traude Valache, Finance Committee Chair gave the following report:

1. The Finance Committee has reviewed the financials.
2. They have begun reviewing the 2019 budget drafts.
3. The Finance Committee will work with liaisons Steve Hallert for building maintenance and Ed Boule for landscaping to get work done in a cost-effective manner. The Budget and Landscape committees should inform the Finance committee when planning so that any money issues can be evaluated.
4. After completing their exploration of options for earthquake insurance they recommended to the Board to hold a town hall meeting to explain this complex issue and its many options available to both the Mutual and residents.
5. The committee recommended that if the Board decides to move ahead with a Mutual earthquake policy then \$30 million of coverage should be secured resulting in a \$103 increase to the monthly coupon.

A decision will be made regarding Earthquake Insurance after the Town Hall meeting and before the budget and coupon are finalized for 2019.

Building Maintenance Report/Building Maintenance Committee: Rick West, Building Maintenance Manager; Mike Casey, Chair of the Building Committee

- **Alteration Permit #42201:** The Board and Committee reviewed alteration permit #42201 for Kitchen remodel; recessed lighting throughout; reconfigure fireplace and TV nook; remove wall between breakfast nook and dining room; new hard surface flooring in kitchen and bath. A motion was made to approve the alteration permit.
Moved, Seconded, Carried 4-0
- **2996 Saklan Indian Repair Contract:** The Board reviewed a proposal from AMAC for repairing a wall and landing. The Board also reviewed a proposal from Perfect Painting to coat the deck. A motion was made to approve the AMAC proposal in the amount of \$25, 675.00.
Moved, Seconded, Carried 4-0
A motion was made to approve the Perfect Painting proposal in the amount of \$3,040.
Moved, Seconded, Carried 4-0
- **Dryer Vent Cleaning:** The Board discussed dryer vent cleaning and if the Mutual should take charge of it. The Board requested that bids be gathered for a cleaning every 3 years for cost comparison before any decisions are made.
- **Rain Gutter Cleaning:** Rain gutter cleaning was discussed with the Committee

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

recommending a cleaning in December or early January after all of the leaves have fallen. Rick West reported that the contractor used last year is not available within that time frame and a new contractor will have to be sourced.

- **Alteration Permit #42354:** The Board and Committee reviewed alteration permit #42354 for replacing the living room hinged door and master bedroom slider. A motion was made to approve the alteration permit.
Moved, Seconded, Carried 4-0
- **Fallen Tree on Falconwood:** A fallen tree at the Falconwood building caused damage to the tiles, gutter and downspout, and the stucco and belly band. Bids will be gathered for repairs.

Rick West presented the following building maintenance report:

Action Items:

1. 2996 SI Front landing / Sheer wall and Termite Damage Repairs. Bid Proposals Have been presented to the Building Committee and board for review. 3 bid proposals; Empireworks has the highest bid at \$ 38,789.00 / A-One Construction with \$36,283.00 and AMAC with the lowest bid of \$25,675.00. Separate Estimates for the landing Excel Coating: Highest Bid - Empireworks -\$7,000.00 / A - One Construction at \$3,485.00 / Lowest Bid - Perfect Painting \$3,040.00. Termite treatment cost \$495.00 (scheduled).
2. This is from the CCC ordinance. The Fire Dept. Marshal inspector has said that dryer vent cleaning is recommended every five years for single family homes and every two years for multi-family buildings.

Section 304.1.4 is added, to read:

304.1.4 Clothes Dryers. Clothes dryers shall be frequently cleaned to maintain the lint trap, mechanical and heating components, vent duct, and associated equipment free from accumulations of lint and combustible materials.

This is out of your policy listing that dryer vents are definitely the resident's responsibility. However, some Mutuels are paying to have Welcome Services to come in and clean all of their unit dryer ducts due to the fact that they cannot trust that all the owners will complete this cleaning. The current cost is now \$75 per unit or \$17,475 for all of your units.

3. 2934 SI Front Landing Coating - Contractor: Perfect Painting estimate \$3,040.00. A motion was made to approve the estimate.
Moved, Seconded, Carried 4-0
4. Gutter Cleaning - Contractor: PGS. - Estimates for one or two cleanings presented to the board.

Information Items: Work Scheduled, In Progress or Completed

1. Phase III Painting - Contractor; Pacific Trim (Work in progress 14 buildings remaining).
2. Phase III Dry Rot Rehab - Contractors: MOD / Five Star (Estimated completion date: August 31st - 2 buildings remaining).
3. Phase II Roof Tune Up 29 Buildings - Timberline Roofing start date is 6/18/18. (Work in progress 12 building remaining).
4. New LED light bulbs for all exterior lights - Contractor: Alpha Lighting Installer Toupin

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

Construction. - New bulbs will be installed over the next two years until completed. The porch bulbs are on order and will go to Toupin for storage and install.

5. 2986 SI Drywall Repair. Contractor: Five Star (Scheduled start date 9-10-18).

Landscape Report/Landscape Committee Report: (Barbara Blum, Chair of the Landscape committee – Absent); Gail Todoroff, Board Liaison to the Landscape Committee; Rebecca Pollon, Landscape Manager

Gail Todoroff and Rebecca Pollon gave the landscape report in Barbara Blum's absence. Phase II and Phase II landscaping rehab is to be done in 2019. The landscape maintenance contract is being expanded from a 3-year contract to a 5-year contract. The contract is going out to bid in the Fall. Its expected that it will have a 5% increase.

2018-19 LANDSCAPE COMMITTEE GOALS

1. Participate in the creation of a plan for the enlarged Sunset Park upon the completion of the soils repair project.
2. Participate in the planning and implementation of Phases 2 and 3 Landscape Front Area Rehab.
3. To review by periodic walk-throughs done by the Zone Reps, the condition of landscaping at each building and throughout the mutual common area.
4. Investigate the possibility of contracting with a landscape debris removal company to remove all Rosemary.
5. To complete back area landscaping rehab of Phase I.

Social Committee Report: Wendy Dorband, Social Committee Chair

Wendy Dorband and the entire Social Committee were congratulated for a terrific Summer Picnic. Bill Dorband announced for Wendy that the Holiday Party will be on December 10. Mark your calendars for another fun community event!

Community Information/Welcome/Database Update: Tricia Spiegel, Facilitator

Tricia Spiegel reported that the committee is working on the following items:

1. The committee members are Vickie Hipkiss, Lew Armisted, Casey Dixon, Chris Slee and Barbara Walker. They have been working diligently to assist in enhancing communications.
2. Developing a survey to get member input
3. Ways to make the Mutual's Website more robust and creative
4. Databases
5. Committee Charter

The Board reviewed a draft of the survey and the cost of Survey Monkey to distribute the survey. A motion was made to approve the survey and a budget of \$37 for Survey Monkey.

Moved, Seconded, Carried 4-0

Emergency Preparedness Update: Bob Grotz, Board liaison

Bob Grotz announced a new chairperson for the committee: Ralph Athenian. They are rewriting the committee charter and plan to present something at the next board meeting.

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

President's Report: Dwight Walker, President

President walker reported that the following topics were discussed at the most recent President's Forum: counseling office services, a program for Vets to haul junk for a fee, new MOD procedures to document vendor complaints, and a delivery robot testing.

Paul Donner further reported on some tightening of procedures at MOD regarding contractors who don't abide by the rules of working within Rossmoor. Notifications of contractor violations will be communicated to contractors and the Mutual. Continued violations will result in all future applications proposed by the offending contractor to be sent to the Mutual Board for review and to determine whether that contractor will be allowed to do work within the Mutual.

New Business

1. Lease Approval: The Board reviewed an exception to the minimum 6-month lease policy for a selling resident who requested a 3-month leaseback from their home buyer. A motion was made to approve the exception and the lease.

Moved, Seconded, Carried 4-0

Adjournment

President Walker adjourned the meeting at 2:55 p.m. and the Board moved into executive session.

Executive Session Summary

The Board met in executive session to discuss a contract.

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