

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, AUGUST 19, 2021 AT 2:00 P.M. ZOOM

President Herma Lichtenstein opened the meeting at 2:00 p.m. Directors David Kirkpatrick, Wally Brohaugh, Jeff Cheung, and Janet Maleski were present.

Eight resident members were present.

Staff was represented by Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager, Steve Ormond, Landscape Supervisor, Rebecca Pollon, Landscape Manager, and Anne Paone, Assistant Secretary.

CONSENT CALENDAR

The consent calendar consisted of:

- a. Approval of Minutes: Regular Meeting Minutes – July 15, 2021, and Annual and Organizational Meeting Minutes – June 18, 2021

Ms. Lichtenstein asked for any additions or corrections to the minutes. Hearing none, Ms. Lichtenstein declared them approved.

MEMBERS' FORUM

No resident comments or questions.

SECRETARY'S REPORT

Ms. Maleski reported there will be an article in the Rossmoor News next week.

TREASURER'S REPORT

Mr. Cheung reported the July operating fund ending balance was \$182,985 and the reserve fund ending balance was \$1,242,525 for a total of \$1,293,706.

The actual operating expenses were \$139,142 vs budgeted amount of \$112,987.

The July Utilities actual expenses were \$130,836 vs budgeted \$124,810.

The insurance actual is less than budgeted due to the rebate received.

The Reserve total expenses were \$433,928. There was \$110,907 remaining at the end of July.

The financial concerns are more for dry rot problems and building repairs.

Aged Receivables has come down.

Mr. Cheung discussed money borrowed from the reserve account.

Mr. Cheung moved to pay down the 2018 reserve fund borrowing by \$20,000 and the 2021 reserve fund borrowing by \$63,000. The cash payment into the reserve fund will be swept into the fully FDIC insured money market account. Future repayments to be addressed again in September – December. Mr. Kirkpatrick seconded and the motion carried without dissent.

Mr. Cheung gave comments on the 2022 planning for the budget.

*Mr. Cheung moved to certify compliance of civil code #5500 for the July financials.
Mr. Kirkpatrick seconded and the motion carried without dissent.*

LANDSCAPE REPORT

Ms. Lichtenstein read the following report:
The landscape committee met on August 10th

1. The committee reviewed ongoing work order requests and is using the work order system to track items and evaluate if they should be part of general maintenance. The work order tracking has been in place since May and will be part of an end of year review prior to next year's contract renewal.
2. Steve Ormand updated the committee on Warner Brother's schedule for tree removal and at this time we are waiting for permits from the city of walnut creek.
3. Paula Krauss, Landscape chair confirmed final items for the Grant from Diablo Fire Safe Council and should be submitting them in September.
4. Committee members shared their entry reports and discussed items that they would like included in the December Rehab Work. Based on current forecasts it appears next year will be another drought year which will impact the ability to do large scale planting, especially on some of the more challenging hillsides. This is also in line with the current MOD approach. As such, much of the rehab for this year will most likely focus on clean up, irrigation tune ups, additional mulch, cobble, wall, and maintenance access repair. As a first step a plan was sent to MOD for pricing and budget purposes. We are awaiting costs.
5. Eldon Rowe spotted a large leak in entry 7 which has since been determined to be a fire line leak. MOD has been authorized to repair the leak on a time and materials basis.
6. We also plan to review the irrigation controllers and update zones to match new plantings.

Mr. Ormond reported he has received the permits for the removal of trees. The cost will be \$39,525. Ed Waraner will schedule.

Other removals of junipers and a dying tree will be done for fire and safety issues.

Ms. Pollon reported that since Mutual 70 has an updated controller program, the Mutual can opt out of the new program and can revisit this in a few years.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

ACTION ITEMS: Proposals for Review or Approval

1. Termite inspection and treatment for Phase I Buildings and carports in entry 2.
(Contractor Kingsay to present the Board with a proposal).
2. 3316 TG Building Foundation Support – MOD received the Civil Engineers report on the Foundation.
Contractors: AcuStruct Structural Construction / NCC Ned Clyde
Construction / AMAC

(Project is now out to Bid with a deadline date of August 23rd.)

3. 1277 AS 2A – Home Inspection report items. This project is currently out to bid.
(Contractor bids to be presented to the Board for approval).
4. MOD's Estimate to repaint all of the Mutual Entry Signs.
(Presented to the Board for approval).

INFORMATIONAL ITEMS: Work scheduled, In Progress or Completed

1. 1277 AS 2A - Rear Deck Excel Coating. Contractor: AMAC
Estimated Cost - \$4,332.00
(Contractor scheduling Project start date with the Resident).
2. 3838 TG 2B Rear Deck Coating and Plywood deck repair proposals. Contractor:
GBG
Estimated Cost - \$12,455.00
(Contractor scheduling Project start date with the Resident).
3. 2021 Entry 2 Phase I Building Painting - This will include 9 buildings, 3 carports
and 3 trash enclosures.
Contractor: Pacific Trim.
Estimated Cost -\$165,305.00.
(This Project is currently in progress).
4. Entry 7 & 8 - Main Entry Signs. Project includes new metal signage and
repainting of the wood platform.
Contractor: MOD Cost \$1,722.00
(Material is currently on order).
5. 1277 AS 2B – Installation of two new Comcast cable lines from Exterior cable box
to unit interior.
Contractor: Gauthier's Construction Cost \$1,956.00
(This project was completed in July).
6. Senate Bill SB326 - Structural Engineers inspection of elevated mutual
components –
Contractor: FWC - The project will be completed in 4 phases over 4 years.
Contract does not include destructive testing or put back costs. To be
completed by others
Phase I Map sent to the BOD for review. Phase I Entry 2 Inspections have been
completed.
Total Cost \$121,989.00.
(Currently waiting for FWC Report).

Mr. Brohaugh reported as follows:

1. The Committee met on August 12th, via Zoom.
2. There are presently 3 repeat members in addition to the 2 Board liaisons. Ideally, we will find three new members representing entries 2, 6 and 8. I worked with Paulina Van and she decided that she cannot serve, because this is a second home for her, and she does not spend enough time here. Suggestions would be appreciated for the names of other prospects.
3. The Committee needs a chairperson, but it was decided to hold off until membership is full.
4. Rick West presented the Building Maintenance Report. The on-going projects are being handled in a timely manner and there were no suggestions made by the Committee. The 4 projects that need Board approval were all reviewed, and the BC recommends that they be approved by the Board. None of the projects had costs at the time of the meeting but all are necessary.
5. One of the four projects on the action list is the repair work to the foundations of 3316 TG. Concrete on the tie beams has been damaged through the years because of water that has gotten under the building. The engineer who discovered this damage while inspecting for dry rot issues is being asked to opine on the risk to the building's integrity because of this damage. This will help assess how quickly it needs to be dealt with. The contractors who are qualified to make the repairs will not be available for some time. The BC suggests that we inspect all buildings to see if others have the same or other damages. At this time, we do not have the costs for such inspections, but it could be as much as \$50,000. The BC recommends that the Board approve seeking bids for these inspections. Once a bid has been selected, the Board will need to approve the funds to complete the inspections. It should be known that if there is damage to other buildings the costs to design the fix and to complete the fix could be in the hundreds of thousands of dollars. Requires action by the Board.
6. The BC is looking into the possibility that the BC might be granted permission by the Board to approve building projects that are smaller than a certain amount, say \$5,000. This will be brought back to the Board at a later date.
7. The BC is looking into the fact that some owners paid for the replacement of their garage doors before the Board decided that the Mutual should pay for such replacements. We are currently looking into how many manors have paid for their door replacement and will consider whether they should be reimbursed the cost that the Mutual experienced replacing doors.
8. The report of the inspections of the first group of manors decks and overhangs should be in at any time. Once it is in, the BC will review it to determine if the present course of inspections over four years is the proper course.

Ms. Lichtenstein briefly mentioned the status of reimbursement for electrical panels and garage doors. She asked if there was a variance for BBQs that use pellets. These items were tabled for the next meeting agenda.

Mr. Brohaugh reported that 3316 Terra Granada has some concrete damage to the foundation. He believes all of the foundations should be inspected. He asked Mr. West to get estimates for the cost. Mr. Cheung stated that he supports this approach, but thinks the cost might need to be spread over a multi-year basis.

Mr. Brohaugh reported that he needs to know the risk factors. Mr. West stated that an initial inspection might not cost much.

GOVERNING DOCUMENTS

No report.

COMMUNICATIONS

Ms. Maleski gave the following report:

The committee met on August 2 and 16, 2021

They established

I. Purpose of Committee

To establish a communication link between the Mutual 70 Board and residents for the purpose of keeping interested residents up to date on activities, decisions, and actions of the Board and for providing input from residents. This is a Standing Committee.

The method of transmission of messages will be specified by the Board. The Communication Committee will primarily assist with the establishment and implementation of a system for email transmissions. Other forms of communication such as mail, posting, newspaper or phone transmission will be directed by the Board.

II. Organization of Committee

Chair/Board Liaison: Janet Maleski

Members: Christine Barclay Donna Brian Sue Harvey Natalie Davis MJ Kidd

III. Goals:

- a. To provide a structure for information exchange that makes sure residents have information available about Board actions and to make sure residents feel that the Board is responsive to them.
- b. To recognize and be responsive to the fact that the end users of our system are residents of our mutual and that they are comprised of many levels of information technology needs and skills.
- c. To preserve the privacy of residents by following the policies established by the Board.
- d. To give the Board input on issues of communication such as privacy, kinds of communication used, content, and response links.

IV. They decided on the following recommendations to the Board

- a. That Board members discuss the issue of delay in distribution of Board minutes and find a way to expedite information from Board meetings so they will be released within 30 days (as stated in our By-laws) of meeting.

Possibility of someone (who?) doing a "summary" to be posted until approved version posted.

- b. That Board request the Communication Committee create a short list of who is responsible for various issues with a short message on how to access these

- people and what to do if no one is available. When reviewed and approved by the Board this will be posted under Miscellaneous on our website.
- c. That Board members or committee chairs promptly respond to any resident who has contacted them to let them know their message was received and approximately when they could expect a more detailed response.
 - d. That the Board confirm the current usage of M70 email and give the Communication committee guidelines about what procedures and methods they want to see developed by the committee concerning sending, receiving, and monitoring emails.

Other items discussed

- a. Email Data base
 - The solar committee has received 114 responses to request for permission to use email. There has been no response from 58 residents and 7 letters were returned as undeliverable
 - If the Board and Solar committee wish the Communication committee to assist in the follow up with the non-respondents, they would be glad to help.
- b. Reviewed Privacy Policy which will be presented to Board on August 19 for discussion, input, and approval. Need more input from Board on role of Communication Committee in the policy.

Next Meeting: August 30, 1 pm probably on Zoom.

Mr. Cheung reminded Ms. Maleski that it is the Board that makes the final decisions and gives approvals.

Ms. Lichtenstein stated that she views the committee as similar to a public information officer. She suggested holding a special meeting with a study session to review and discuss the committee and what steps should be taken next.

SOLAR

Mr. Kirkpatrick moved to ratify the authorization of Jeff Cheung, Treasurer, to sign for the Table Rock Engagement letter. Ms. Lichtenstein seconded and the motion carried without dissent.

Mr. Kirkpatrick gave an update on the Engagement letter. Sage is saying the Mutual has to redo roofs/repairs. Removal and replacement is not an issue. The Board would like them to clarify why they would say it is not feasible.

PG&E said you cannot share energy between buildings. They said kilowatts were only enough to cover 40% of the Mutual's needs. It appears the original strategy will not work. They may need to get a new strategy. Mr. Kirkpatrick would like to let Table Rock and Sage respond. Ms. Lichtenstein said their original timing had the Mutual going to residents by mid-September.

The committee has started getting waivers regarding email addresses. A privacy policy must be in place before they can use the email addresses.

Mr. Kirkpatrick moved that if the Mutual attorney, Melissa Ward, sends the policy back and it is not substantially changed and she gives her approval, he should be given approval to have it mailed out to the owners of Mutual Seventy. Mr. Cheung seconded and the motion carried without dissent.

SOLAR COMMITTEE REPORT

Mr. Al Davis reported that 118 responses have agreed to communicate by email. This leaves 54 not returned. Seven have been returned from the post office. He is in the process of trying to develop a personal network of friendships, etc. This can be used to keep the information going forward.

Ms. Lichtenstein stated that she doesn't think there should be anymore outreach because they need more information.

Mr. Kirkpatrick stated they still need to reach out when inquiries are made and to update residents.

Ms. Lichtenstein reminded everyone that the committee needs to advise the Board and the Board will make the decision. (Mr. Kirkpatrick had to leave the meeting-4:16pm)

EMERGENCY PREPAREDNESS

Ms. Lichtenstein reported that the fire season is upon us. She has maps that show the evacuation routes.

PRESIDENT'S REPORT

The notice reminding residents to comply with the policies regarding carport cleanup and the placing of elevated water-tight catch basins of sufficient size under plants to prevent water overflow or leakage has gone out.

OLD BUSINESS

Solar update-discussed

NEW BUSINESS

- a. Email Authorization and Use Protocols – Ms. Lichtenstein reported this is ongoing.

ANNOUNCEMENTS

The next meeting – Regular Meeting: Thursday, September 16, 2021 at 2:00 p.m. – Zoom.

ADJOURNMENT

Having no further business, the meeting adjourned at 4:19 p.m.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Seventy