

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, FEBRUARY 18, 2021 AT 2:00 P.M. ZOOM

President Jill Alley opened the meeting at 2:00 p.m. Directors Roger Svoboda, Jeff Cheung, Dennis Johnsen, and Herb Salomon were present.

Four resident members were present.

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

CONSENT CALENDAR

The consent calendar consisted of:

- a. Approval of Minutes: Regular Meeting Minutes – January 21, 2021
Executive Meeting – January 21, 2021

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

MEMBERS' FORUM

No questions or comments.

SECRETARY'S REPORT

No report.

TREASURER'S REPORT

Mr. Cheung reported there are no financials available yet.

Mr. Cheung reported at the end of December, the operating fund balance was \$37,333. The reserve fund balance was \$1,337,196 for a total of \$1,478,400. The 2020 reserve fund borrowing has been paid back. 2021 reserve fund borrowing of \$105,000 is to be paid back by the end of this year. Insurance came in lower than budgeted.

Mr. Cheung gave updates on aged receivables, which was work that MOD did for the owner. Past due aging is delinquent coupon payments. He reviewed the letter that is mailed from the accounting department.

Mr. Cheung certified the Mutual is in compliance with Section 5500 of Davis-Stirling civil code for the December financials.

LANDSCAPE REPORT

Mr. Johnsen gave the following report:

Pending issues: 1) clogged storm drains, especially in atrium buildings, pooling of water, termites, wood rot, etc. How address the problems? Included in Brightview landscape maintenance contract? 2) Building signage, time damaged, missing, or unreadable numbers. Building problem? 3) Entry 8 rotting wooden retaining walls: two, one outside of 3838, work order in and pending for replacement with concrete blocks for about \$5,000. The other across from 3838, higher than 3 feet, that will require city approval and an estimate is being requested. Best present guess is about \$15,000. 4) Tracking and routing work orders. Reported at last meeting that MOD had agreed to provide the committee with a monthly report of new, pending, and completed work orders. It has not happened yet, but COVID is posing personnel problems for MOD. Still get complaints that getting a response to work order submissions is problematic, but personal experience is that the system for the most part is working.

Landscaping Budget. The committee has drafted a 5 year plan consistent with what has in the recent past been a straight-line budget from reserve funding of \$56,510 and the 2021 budget. This includes \$17,000 for tree removal and maintenance, \$4,660 for irrigation, and \$34,800 for landscaper renovations and rehab.

With respect to the \$17,000 for trees, objectives include beginning the phased removal, and suitable replacement, of Monterey pines; removal of 3 heritage oaks, two in the area between entries 7 and 8 and one on the slope above Terra Granada across from entry 3; The removal of liquid amber trees whose growth is posing an increasing danger in several of the atria of several of our multi-story buildings; the removal of several large redwood trees in Entry 2 that have grown large and are posing serious potential problems to adjacent buildings; and, finally, the removal of unwanted private trees in entries 2&3.

The irrigation costs are related to the one purchase of about \$22,000, staged over several years, of new state of the art clock controllers to replace the old ones whose software and hardware is becoming obsolete. They will result in a big improvement of the remote control and timing of irrigation which has been problematic.

With respect to the landscaping renovations and rehab budget, the amount budgeted, \$34,800 ought to be sufficient to fund the annual rehab work to be done annually in December, the costs of rehab for the areas where trees are to be removed.

Status of Social Gathering Site Development. Rough estimates have been obtained of the possible labor and material costs for developing such sites, which is probably in the area of \$4,000 each. Not much is happening. A dozen residents were queried adjacent to the proposed site in entry 3, four of which expressed enthusiasm for the idea, and the rest of which regarded favorably. No one objected to it except one

resident who said care should be exercised in locating them to avoid a noise nuisance. A resident in entry 7 said she objected to anything that would increase the coupon cost.

Resident concerns. Entry 2 residents - unauthorized pots-plantings. Response to recent round of letters was remarkably good. We got our first compliment on the Mutual's landscaping.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

ACTION ITEMS: Proposals for review or Approval

1. 1281 AS 2B Deck Coating – Due to negative slope causing water to puddle and flow toward sliding glass door. Excel water proofing coat is recommended.

Contractor: A-One Construction Estimated Cost \$12,787.00

(Presented to the board for approval).

Mr. Cheung moved to approve the proposal from AMAC in the amount of \$12,070. Mr. Johnsen seconded and the motion carried without dissent.

2. 3330 TG Building Breezeway Beam Dry Rot repairs and T & G replacement - Contractor: AMAC \$16,663.00.

This project had a change order come in for an additional \$37,232.00 - Due to additional extensive dry rot found once the engineer requested additional stucco removed. Total to date Cost \$53,895.00.

Additional Destructive testing has been completed on one column due to evidence of dry rot and old termite damage. (Does not include Engineer's report / city permits and destructive testing costs).

Change order #4 Presented to the board for \$10,620.00.

(This project is currently in progress).

Mr. Cheung moved to approve the change order in the amount of \$10,620 from AMAC. Mr. Svoboda seconded and the motion carried without dissent.

3. 3316 TG 1A Window leak and Termite Treatment. Custom Exterior is completing water intrusion work.

Kingsway has also inspected the unit and send estimated cost for Termite Treatment and carpentry repairs.

Presented to the board for a Total Estimate of \$5,085.00.

(Work is in Progress).

Mr. Johnsen moved to approve the proposal in the amount of \$5,085 from Kingsway. Mr. Cheung seconded and the motion carried without dissent.

INFORMATIONAL ITEMS: Work scheduled, In Progress or Completed

1. 3874 TG Building woodpecker roof soffit damage. Contractor: MOD estimate \$2,272.00.
(This project has been completed).
2. 1289 AS 2B Front Entry and Back Deck Repairs and Excel Coating . Contractor:
AMAC total estimated cost \$15,440.00. Resident's slider is on order.

(Contractor scheduling with the resident to complete this project).
3. 3625 TG 2A - Back Deck Excel Coating – Contractor: AMAC Estimated Cost \$13,665.00.
(Project is in progress. Estimated completion date 2/11/21).
1. Garage Door Replacement - Contractor: B & C Garage Doors. Estimate for the last remaining 7 doors. in Entry 2 was approved by the board.
Cost \$8,245.00. Budget to complete this project \$60,000.00.
(These remaining garage doors are on order. Installation scheduled to start 1st of March).
2. 3288 TG 2C Trellis rebuild project due to extensive dry rot. Contractor: MOD – Cost \$5,262.00.
(This project is scheduled to start on 2/11/21).
3. Senate Bill SB326 - Structural Engineers inspection of elevated mutual components –
Contractor: FWC - Total Cost \$121,989.00. 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.
(FWC is currently putting a 2021 schedule together for the board to review).
4. 3330 TG Building Excel Breezeway coating. Contractor: A-One Construction Cost \$31,645.00.
(Will schedule after Dry rot repairs have been completed).
5. 3761 TG 1A -Deck Coating and Repairs – Contractor: A-One Construction Cost \$12,787.00. C/O for \$6,987.00 for repairs due to Dry Rot found under balcony. Total cost \$19,774.00.
(This Project currently is in Progress waiting for city final inspection).
6. 3761 TG 1B – Deck Coating and Repairs. Contractor: A-One Construction - Estimate \$12,787.00. C/O For additional dry rot found under balcony \$ 23,960.00 Total to date \$36,747.00.
(This Project currently is in Progress waiting for city final inspection).
7. Installation of 4 new Trash Enclosure metal Gates with new hardware.

Contractor: Eagle Iron
Cost \$9,800.00. Board approved MOD's estimate to paint the new gates
\$1,058.00.

(MOD is scheduled to paint the gates).

8. Phase I Building Painting - This will include 9 buildings, 3 carports and 3 trash enclosures.

Project will go back out to bid this month with the newly revised Scope of Work.

(Project schedule to start Spring / Summer 2021)

Mr. West reported that Helsing has been funding for the retaining walls. They were replaced in 1994.

GOVERNING DOCUMENTS

Mr. Svoboda reported the committee received a response from Melissa Ward indicating that some changes need to be made to the operating Manual regarding rentals/leasing.

EMERGENCY PREPAREDNESS

No report.

PRESIDENT'S REPORT

Ms. Alley reported the following:

- Contract with Helsing for Reserve Fund support is signed
- Garage doors – seven ordered for Entry 2 replacements = \$8245
- Carport and Building address signs – surveyed – Work Order submitted to replace
- Financial Report – several line items over budget
- Utilities - \$22,500 over
- Plumbing - \$13,000 over
- Insurance - \$60,000 over
- Telephone - \$7300 over
- Carpentry – 2/3 of annual budget spent
- Work in progress - \$196,000 - plus
- \$30,500 for decks this year (\$122,000 project)
- Elevators – seems like lots of service fees, but still under budget
- Prep for painting – responsibilities and notice to residents should be provided to them Mr. West reported that a notice will go out to the residents to remove items or why can call MOD to do so for a fee.
- Aging and Aged Receivables Reports – editing follow-up letters and Mr. Cheung is looking at history
- Landscape issues: Committee/indiv. requests for dead or dying plant replacement during annual rehab only? (Ex. \$800 request) The Board will discuss this in executive session under contracts.

Ms. Alley asked Mr. West if other Mutuels allow residents to hang items. Mr. West reported that other Mutuels allow items, but only if they are attached to wood, not the stucco.

OLD BUSINESS

None

NEW BUSINESS

None

ANNOUNCEMENTS

The next meeting – Board Meeting: Thursday, March 18, 2021 at 2:00 p.m. via Zoom.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:02 p.m.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Seventy

***The Board of Directors met in executive session on January 21, 2021 at 3:18 p.m. to discuss the following:

1. Member Issue – Member Matter – Board’s previous decision stands
Delinquency -Being monitored

Having no further business, the executive session adjourned at 3:40 p.m.