

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JANUARY 16, 2020 AT 2:00 P.M. BOARD ROOM – GATEWAY COMPLEX

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

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

CONSENT CALENDAR

The consent calendar consisted of:

- a. Approval of Minutes: Regular Meeting Minutes – November 21, 2019
Executive Minutes: November 21, 2019 and
December 2, 2019

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 that Frank Cost is now a member of the Finance Committee. There were no financials available for December 2019.

Mr. Cheung moved to borrow \$175,000 from the Reserve Fund for the insurance premium and to pay it back by the end of the year from Working Capital. Mr. Svoboda seconded and the motion carried without dissent.

Mr. Donner reported that the insurance premium for Mutual 70 might have an increase of 45%. He explained that insurance commissions are capped. The excess can be refunded back to the Mutuals. For 2019, about \$130,000 would be refunded for all of Rossmoor. For 2020, there is an excess of \$200,000. MOD will return any of their profits.

The mutual will receive a dividend of approximately \$5,395 from MOD. The 2019 commissions refunded will be \$5,994. And the 2020 commissions will be \$12,783. The Mutual will be \$56,000 short to pay the premium, but these refunds will bring that down to \$32,062.

No motion was made regarding compliance with Davis Stirling 5500 because the Board has not received the December financials.

LANDSCAPE REPORT

Mr. Ormond reported that he had the 2020 Maintenance Contract for Brightview. Labor is up 2.5%. The monthly cost has gone from \$5,476 to \$5,612. The Landscape Committee approved.

Mr. Cheung moved to approve the Maintenance Contract from Brightview as presented with the monthly fee of \$5,612. Mr. Salomon seconded and the motion carried without dissent.

The rehab plantings have been completed. The Landscape Committee requests that \$15,000 not spent this year stay in the budget for next year.

The Board would like to know what will be planted before the work is done. They would like a list once the work is confirmed, but before it is started.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

INFORMATIONAL ITEMS: Work scheduled, In Progress or Completed

1. 3425 TG Tree Damage – Contractor: MOD - Estimate for new gutter & Downspouts, 2 new scuppers, New DuraLast roof material , Flashing, New felt, Bats and one new skylight. Estimate - \$6,066.00. (Work is in progress).
2. 3425 TG Metal Railing Damage – Replace a 6’ section of railing due to damage from the fallen tree. Contractor: AMAC – Estimate \$1,700.00. (Railing on order).
3. 3535 TG – Dry Rot Beam replacement Project – Contractors: AMAC cost \$43,485.00 (Project has been completed).
4. 3330 TG 2C – Trellis rebuild due to dry rot Contractor; MOD Estimate \$6,210.00. Deck Coating for 2 balconies – Contractors: A-One Construction estimate \$13,983.00. (Project has been completed).
5. 3288 TG 1C – Trellis Rebuild. MOD to rebuild rear balcony trellis due to severe Dry Rot – Cost estimate \$7,119.00 (Project has been completed).
6. Garage Door Replacement - Contractor: B & C Garage Doors - Estimate to complete Entry 3 is \$7,385.00 for 7 single doors. Entry 3 is scheduled to be billed in 2020. The remaining 38 garage doors are scheduled to be completed by the end of 2020.

7. 3535 TG – Breezeway deck coating for upper two walkways. Excel textured waterproof coating will be installed. Estimate from A-One Construction \$31,645.00. (Schedule pending weather).

GOVERNING DOCUMENTS

Mr. Svoboda reported that he is waiting for feedback from the attorney. Once it is received, he hopes to be able to make some minor changes.

EMERGENCY PREPAREDNESS

Mr. Johnsen stated that they would welcome anyone that wants to volunteer for E3 and E4 as coordinators.

The Board discussed having backup batteries installed in the elevators. For the six elevators, the cost would be approximately \$78,000. After discussion, it was decided that Mr. West will see if he can get the price down and the Board would like to see how much the rolling blackouts will actually affect the Mutual and the elevators.

PRESIDENT'S REPORT

Ms. Alley reported the following:

- a. Garage Door Opener Costs – It is listed in the policies that this is a resident's responsibility
- b. Portable Generators in Units – Paul Donner – Mr. Donner reported that battery operated generators would be okay, but no gas or propane should be used. Storing the fuel and noise would be an issue. Most importantly, medical equipment and medicines could be a problem for residents. There could be liability issues, especially if allowing gas generators. The Board agreed. Mr. Svoboda reported that they can consider a policy that would be universal to all Mutuals. He would need to speak to the other Mutuals for their position on the matter.
- c. Organics Recycling – Nice Cans has been doing a good job cleaning the organics cans.
- d. Hearings and Fines – Letters for 3rd party billing have been created. Ms. Alley passed them out to the Board. Jeff and Roseann Cheung have some suggestions that Ms. Alley will review.
- e. Series of letters for 3rd Party Billing/Reimbursement – Passed out to Board
- f. 2020 Building Painting – Previously discussed.

Ms. Alley reported that the merger has been put on hold and the Board has not heard anything from Fifth Mutual. Mr. Cheung believes the Board should let some time go by before considering the merger again. At least wait until closer to the end of the year.

Ms. Ally has created an Update for the membership on items from 2019 and items for 2020. The Board will give her their comments or additions to the update by Monday.

OLD BUSINESS

None

NEW BUSINESS

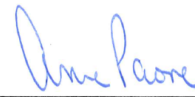
None

ANNOUNCEMENTS

The next meeting – Board Meeting: Thursday, February 20, 2020 at 2:00 p.m. in the Board Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:27 p.m.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Seventy

**The Board of Directors met in executive session on November 21, 2019 at 3:12 p.m. in the Board Room in the Board office to discuss the following:

1. Member Matters: Violations – Fine imposed.

Having no further business, the executive session adjourned at 3:30 p.m.

**The Board of Directors met in executive session on December 2, 2019 at 2:30 p.m. in the Board Room at Gateway to discuss the following:

1. Member Matters: Outstanding accounts receivable – member will be sent letter the he is not sending in the increase to coupon.

Having no further business, the executive session adjourned at 3:10 p.m.