

WALNUT CREEK MUTUAL SEVENTY  
MINUTES  
FIFTH ANNUAL MEETING OF THE MEMBERSHIP  
FRIDAY, JUNE 17, 2016  
FIRESIDE ROOM – GATEWAY COMPLEX

OPENING

President Rowe opened the meeting at 10:00 a.m. and introduced Directors Cruson, Dietschy and Smith. Jill Alley was unable to attend.

Mr. Rowe welcomed the 36 residents present. Fifty-two owners were needed for a quorum (30% of the total number of 172 member owners), however since there were no items to be voted upon at the meeting, a quorum was not required.

Staff was represented by Rick West, Building Maintenance Manager; Rebecca Pollon, Landscape Manager; and Anne Paone, Administrative Secretary.

PROOF OF NOTICE OF MEETING

Ms. Dietschy certified that notice of the annual membership meeting appeared in the *Rossmoor News* on June 8 and 15, 2016. A notice was mailed on June 10, 2016 by first class mail to each membership household in accordance with Section 4.4(a) of the Bylaws of Walnut Creek Mutual Seventy.

APPROVAL OF MINUTES

President Rowe asked for any additions or corrections to the minutes of the Fourth Annual Membership Meeting and the Organizational Meeting held June 19, 2015. Hearing none, Mr. Rowe declared the minutes approved as written and reviewed.

ELECTION RESULTS

Mr. Rowe reported that there were two openings and two people announced their candidacy. Incumbents Ellen Dietschy and Melvin "Dale" Smith were elected by acclamation.

REPORTS OF OFFICERS

President's Report - Mr. Rowe gave a short history of the Mutual. He reported that this has been an active year. A major project of the Mutual will be the repair/replacement of the elevators. This is a big financial cost to the Mutual. Additionally, the tile roofs will be done.

Vice President's Report – No report.

Secretary's Report – No report.

Mr. Rowe reminded the membership that they may attend Board meetings and ask any

questions during resident forum.

Treasurer's Report – Mr. Cruson reported that the financial health of the Mutual is excellent. The total amount of the operating and reserve funds is \$1,133,000. Revenue exceeded expenses by \$22,000. The reserve fund is for taking care of bigger components and the replacement of them. A long-range planning tool has been developed. The Mutual is in good financial shape for the future.

Mr. Rowe stated that when the Mutual broke away from Fifth Mutual, the goal was to not have any special assessments. The Mutual can meet unexpected expenses.

#### BUILDING COMMITTEE REPORT

Mr. Rowe reported that the Mutual has good committees that are very careful and make excellent recommendations to the Board. Mr. Rowe introduced the Board and assistant secretary to the membership.

Mr. Smith noted that Ms. Alley is the chairperson of the Building Committee. Herb Salomon also serves on the committee and was introduced to the membership.

Mr. Smith reported that termites are an issue, but the Mutual is taking care of them.

#### LANDSCAPE COMMITTEE REPORT

Mr. Rowe reported that Jim Drommond is the co-chair of the committee. He introduced the other landscape committee members. He reported that landscape does things in cycles. The drought situation is severe. The current Mutual policy is to remove dead plants, but not to replace them. In the May meeting, the Board voted to continue this policy. The Mutual still needs to use its water sparingly until everyone is sure that the drought is really over and there is enough water. The cycle for rehab work with MOD is done in December. Tree service work is done in October, November, and December. Mutual trees are very mature. Many ash trees are in a state of decline and the Mutual is removing many of them.

#### BUDGET & FINANCE

Mr. Smith reported that the reserve study is a 30-year study that plans for repairs/replacements of Mutual components. The Mutual is planning for a 10-year period. This is preliminary planning for the budget. It should keep the Mutual on track. Mr. Smith is confident that the Mutual will be on top of repairs. Mr. Rowe thanked Mr. Smith for creating the plan.

#### EMERGENCY PREPAREDNESS COMMITTEE REPORT

Ms. Dietschy reported that she placed flyers on the chairs about Map Your Neighborhood. People need to be involved in case there is a disaster. Neighborhoods within entries can get to know each other. She asked that the membership take a look at the flyer and consider hosting a get-together.

### ALTERATIONS COMMITTEE REPORT

Mr. Rowe reported that the committee will look at non-standard alterations. Non-standard alterations need a city permit if structural or electrical work is being done. A new heat pump is an example of a non-standard alteration and requires two Board signatures.

### GOVERNING DOCUMENTS COMMITTEE REPORT

Mr. Cruson reported that the last couple of years, the committee has worked on the Mutual policies. Davis-Stirling now calls them Operating Rules, instead of policies. He encouraged the membership to replace the old pages with the new pages. It is easier if they are kept in a 3-ring binder. No changes are currently being considered.

Some residents are surprised that there are rules. Please read them.

GRF also has operating rules. The Mutual does not have any control over GRF rules, except for having a representative on their Board.

The Membership was reminded to register their golf carts beginning on July 1, 2016. There is a one-time fee of \$10 for registration.

### UNFINISHED BUSINESS

None

### NEW BUSINESS

Mr. Rowe reported information about the elevators. All six will be replaced at some point. The Helsing report lists each elevator at \$80,000. It actually costs over \$140,000 to do an elevator. Otis Elevator is the only company that does it. The Board will do the project in phases. Two elevators will be done a year.

Mr. West reported that the elevator at 3288 Terra Granada will be started on July 18 and 3330 Terra Granada will start on August 29. Some elevators are not up to code.

They are not ADA compliant. The electrical panel will be upgraded. There will be LED lights in the ceiling and floor-to-ceiling sensors on the doors. The upgrade will take 14 days for Otis to complete and the State inspection can take up to 2 weeks. Securitas will help and assist with getting residents up and down. They will also help with mail and groceries.

Mr. Rowe reported that the Board is very concerned that the elevators keep working. They want to maintain a safe environment for the residents. The worst one will be done first.

### MEMBERS' FORUM

Resident asked if the Board is working with emergency services so the fire department or ambulance will know what to do in the buildings that are having elevator work done. Mr. West responded yes. Mr. Rowe said they are notifying residents early so they can plan ahead.

Resident commended the Board on all of their time serving the Mutual. She also appreciated all of the work that board member Dale Smith has done. She asked if there was anything that could be done to mitigate water from flowing from the upstairs units down to the units below. Mr. Rowe reported that the kitchen drains in the 3-story buildings have been reconfigured. The problem is the overflow. Sometimes the sink is left on or the

ice maker line breaks. He reminded residents that they should have insurance. Mr. West reported that overflow protection devices were installed, but if the sink is blocked, it will still overflow. Resident asked if the issue of solar panels could be revisited to be considered a Mutual responsibility. Mr. Rowe stated that the Board can review the issue at some point in the future. Resident asked what the Mutual's electricity costs. Mr. Smith responded that YTD through May PG&E was \$4,800. The resident would like the Board to consider opting up to dark green with Marin Clean Energy (MCE).

**ADJOURNMENT**

Having no further business, the Fifth Annual Membership Meeting adjourned at 11:10 a.m. to an Organizational Meeting to elect officers of the corporation.

/s/ \_\_\_\_\_  
Anne Paone, Assistant Secretary  
Walnut Creek Mutual Seventy