

WALNUT CREEK MUTUAL EIGHT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
TUESDAY, JANUARY 19, 2016 1:00 P.M.  
GATEWAY BOARD ROOM  
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

President Cindy Ware convened the Regular Meeting of the Board of Directors of Walnut Creek Mutual Eight at 1:00 p.m. on Tuesday, January 19, 2016 in the Gateway Board Room, 1001 Golden Rain Rd., Walnut Creek, California 94595.

<u>ROLL CALL</u>	PRESENT:	Cindy Ware	President
		Craig Miller	Vice President
		Bob Eisner	Secretary
		Bob Viator	Director

Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Rick West, Building Maintenance Manager; Rich Perona, Landscape Manager; and Sharon Fees, Board Services Coordinator.

Special Guest, new CEO Tim O'Keefe, was also present.

Eleven additional Mutual members were present.

Cindy Ware welcomed the Board Directors, staff, and other Mutual members. She thanked everyone for their attendance.

INSTALLATION OF NEW BOARD DIRECTOR

Julie Narvaez submitted her resignation from the Board. The Board of Directors unanimously accepted her resignation.

A motion was made, seconded, and unanimously approved to appoint Denise Lester to finish out Narvaez's term, which expires in 2017.

Bob Eisner moved and Bob Viator seconded to appoint Denise Lester as Treasurer. The motion passed unanimously.

Ware asked each attendee to introduce themselves.

APPROVAL OF MINUTES

Craig Miller moved and Bob Eisner seconded to approve the minutes of the July 21, 2015 Board Meeting as presented. The motion passed unanimously.

## STAFF REPORTS

### Landscape Report -- Rich Perona

All turf areas will be fertilized in late February or early March. Irrigation controllers remain off.

Crews continue with leaf clean up, small shrub pruning, and spot spraying of weeds.

Perona and Cindy Ware will perform a walk of the Mutual to identify trees that need to be pruned. The tree work will take place in later February.

Perona attended a seminar in Sacramento recently and obtained some interesting and sobering facts from a representative of the state water board. They include:

For 2015:

- Snowpack was the lowest in CA that it has ever been in 500 years.
- The soil moisture was the lowest in CA that it has ever been in 1200 years.
- The median temperature for CA was the highest ever recorded.
- 87 percent of the State is considered to be in a critical drought;
- Even with El Nino in 2016, CA will most probably remain in what is considered a severe drought.

State and EBMUT water-use restrictions WILL remain in place. EBMUD is continuing with its rebate program. Perona suggests that the Mutual continue to evaluate its landscaping to ascertain if there are any other areas where irrigation water consumption could be cut back.

The MOD landscape crew works on projects throughout the Mutual as directed by Cindy Ware.

### FINANCIAL REPORT -- Paul Donner

Paul Donner prefaced his financial summary of the year end activity as of December 31, 2015, by commenting that it is "good news all around, actually." As of December 31, 2015, there is \$67,779 in the Operating Account and \$324,937 in the Reserve Account. Mutual Eight ended the year by only \$1,500 over budget on overall expenses of nearly \$600,000. Reserve expenditures were approximately \$23,000 over budget (vs \$13,000 forecast).

BUILDING MAINTENANCE -- Rick West

Rusted and leaking water heaters: These were discovered as part of the annual manor lube inspection. They are located at 1100 SC #2 and 1114 SC #1. It will cost approximately \$1,200 per water heater for replacement.

2016 Roofing Project: The DuraLast Flat Roof installation is to take place on buildings 110, 1108, 1154, and 1256. New gutter and downspouts are to be installed on buildings 1108, 1154, and 1156. This work has gone out to bid. The budget for this work is \$117,500.

Pop-Up Valves (sewer back-up valves): There are 17 that are missing throughout the mutual. Bob Viator moved and Bob Eisner seconded to spend an amount not to exceed \$750 in order to purchase 17 pop-up valves and to have them installed. The motion passed unanimously.

Follow-up:

Manor Lube: Sang Electric reports that the annual manor lube is 90 percent complete. An appliance age list will be generated once inspections are complete.

Sang Electric installed a new bathroom exhaust fan at 1138 SC #1 and at 1296 SC #4 at a cost of \$450 total.

Downspouts have been redesigned for building 1300 SC; this affected units #3 and #4.

A heat pump was replaced at 1108 SC #2 at a cost of \$2,500.

West fielded Director questions and comments.

PRESIDENT'S REPORT -- Cindy Ware

Cindy Ware thanked the Mutual volunteers who make the community run well and to the staff who work diligently to help the Mutual run smoothly and efficiently.

With regard to expenditures Ware noted with appreciation that residents' personal water usage this December was approximately 50% less than in December, 2013. However, as a result of annual price increases, Mutual 8's expenditure for water is essentially unchanged. Ware encouraged continued water conservation.

COMMITTEE REPORTS

FINANCE -- David Bosley

Bosley, after review of the financials, confirmed Paul Donner's report that Mutual 8 was over budget by a minor amount for 215.

Bosley presented the Treasurer's report. Highlights of issues that the Committee is reviewing, are listed below:

Operations:

Kitchen appliance repair and replacement and replacement of HVAC units appear not to have a control mechanism in place. An inventory report from Sang is pending.

Galvanized Pipe replacement for 1208 and 1232:

This is a very significant expenditure, with estimated costs in the \$240,000 range. The Finance Committee conducted a study of water issues, and found one unit with a severe problem, 1232 unit 1. We are exploring various approaches and will ask for Rick West's expert observations.

Installation of Sewer "Pop-Ups" (Overflow Protection Devices):

Rick West has had his team map all our sewer connections and will distribute maps to board members. The Board voted to replace the 17 pop-up valves at a cost not to exceed \$750.

Lighting transition to LED fixtures for Carports, Sidewalks and Buildings.

Request to Rick West: Please obtain cost estimates to do each of these independently.

Earthquake issues:

We would like to explore the earthquake provisions with respect to 1208, 1224 and 1232. These are the three buildings we have that are built on top of carports and not on a concrete slab. In response to the inquiry, Rick West noted that when the units were built, they were done to code at the time. However, that code is now outdated. The board asked Rick to provide the original construction drawings for the four buildings.

Despite all of the matters that the Mutual is diligently addressing, Cindy Ware wanted to point out that Mutual 8 has one of the lowest coupons in Rossmoor.

LANDSCAPE – Cindy Ware for Jeanette Mungiole

Ware reported that a new garden with drip irrigation has been installed in the Mutual and that it has received glowing reviews from residents. Ware commented that Mutual 8 received a rebate of approximately \$4,500 from EBMUD. This money goes back to the landscape budget.

She reminded residents to notify the Landscape Committee of areas in need of landscape attention throughout the Mutual.

### EMERGENCY PREPAREDNESS – Cindy Ware for Cheryl Gray

Cindy Ware reported that the Committee is still looking for a volunteer to take over for Cheryl Gray when she is out of town. This is mostly for the winter season.

Sally Kennedy noted that the next Walnut Creek CERT course of classes will take place April 12 – May 24. These classes are held at ARF in Walnut Creek located on Mitchell Drive.

### SOCIAL -- Sally Kennedy

Sally Kennedy thanked Bill and Patty Northlich for hosting the December Snack and Chat at their home.

Cindy and Jim Ware will host the February 4 Snack and Chat from 5 – 7 p.m.

In the Spring, these socials will take place outdoors.

The annual Small Bites Social celebration will be held at Dollar Clubhouse on Friday, August 12 between 5:30 and 7:30.

### OLD BUSINESS

Water quality and pressure with galvanized pipes: This matter was discussed with Rick West and he will investigate a solution to the problem.

Blue Binder Distribution Update: This is a work in progress.

### NEW BUSINESS

Considerations in regards to Conversion of Outdoor Lighting to LED: This was discussed under the financial report.

Upcoming Election: The terms of Bob Viator and Craig Miller are going to expire. Viator informed the Board that he will not run again. Miller has elected to run again. The Mutual is looking for a volunteer to replace Bob Viator on the Board.

### MEMBERS FORUM

Residents were afforded the opportunity to ask questions, express their concerns, and offer comments to the Board and Staff.

One member voiced her approval and appreciation to the Board and all the volunteers. She opined that Mutual 8 is the best Mutual in Rossmoor. Attendees expressed their firm agreement.

ANNOUNCEMENT

The next meeting will be the Annual Meeting and Light Lunch. These will take place on Tuesday, May 3, 2016, at 9:30.m. in the Vista Room at Hillside.

ADJOURNMENT

With no further business to discuss, the January 19, 2016 Mutual 8 board meeting adjourned at 1:57 p.m.



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Sharon Fees, Assistant Secretary  
Mutual Sixty-Eight