

WALNUT CREEK MUTUAL NO. EIGHT

REGULAR MEETING MINUTES OF THE BOARD
TUESDAY, FEBRUARY 7, 2017 AT 1:00 P.M.
FAIRWAY ROOM A/B, CREEKSIDE COMPLEX
1010 STANLEY DOLLAR DR., WALNUT CREEK, CA 94595

Call to Order

President Ware called the Regular Meeting of the Board of Directors to order at 1:07 p.m. on Tuesday, February 7, 2017.

Roll Call

Directors Present: Cindy Ware, President
Craig Miller, Vice President
Bob Eisner, Secretary
Joanne Bosley, Director

Directors Excused: Denise Lester, Treasurer

Mutual Operations staff:

Paul Donner, Mutual Operations Director
Rick West, Building Maintenance Manager
Rebecca Pollon, Landscape Manager
Will Kim, Board Services Coordinator

Seventeen (17) additional Mutual members were present.

President Ware asked staff, volunteers, and additional mutual members to introduce themselves and welcomed the Board Directors, staff, other Mutual members and thanked everyone for their attendance.

Maintenance Report: Rick West

Work in Progress:

- 1) Manor Lube by Sang Electric for 65-units completed and 38-units remaining.
- 2) Awaiting estimates on LED light fixtures from Sang Electric
- 3) 2017 Roofing Build Up Projects for: 1224 SC, 1284 SC & 1300 SC. New downspouts on 1284 SC and 1300 SC and waiting for Jim Hogue's inspection and scope of work to put out to bid.
- 4) 1208/1232 SC: walkthrough list in process of being completed

Follow-up:

- 1) Full gutter cleaning by All Clear Gutters has been completed. Underground drain clearing has been scheduled.
- 2) 1232 SC: Replacement of galvanized piping with copper piping in Unit No. 3, 4, 5, 6 by Davis Plumbing & Five Star has been completed.

Landscape Report: Rebecca Pollon

Lawn Maintenance: Mowing is occurring every 3-4 weeks or less frequently due to soil saturation. Irrigation is OFF.

WALNUT CREEK MUTUAL NO. EIGHT

Entry Maintenance: Entry maintenance crews are performing rejuvenation pruning of large shrubs such as Oleander and Eleagnus.

Tree Maintenance: Waraner provided an estimate for the removal of two large Monterey Pines, one at 1256 Skycrest and one at 1324. Once the proposal is officially approved I will apply to the city for a removal permit.

Landscape Rehab: M.O.D. landscape rehab days begin at the end of this month. The Landscape Representative and Landscape Manager will meet to identify projects to undertake with the 13 days allocated for the winter/spring.

Financial Report: Paul Donner

The Financial Report was presented by Mutual Operations Director Donner as follows:

- a) Total Assets as of December 31, 2016 (Preliminary Financials)
- b) Operating \$ 72,010.
- c) Reserves \$ 334,934.

Approval of Meeting Minutes

President Ware asked for any corrections and/or additions to the following set of minutes:

Quarterly Meeting of the Board..... October 18, 2016

There being no corrections, the minutes were approved as submitted.

Moved, Seconded, Carried 4-0

President's Report: Cindy Ware

The following topics were presented during the President's Report:

- If the Mutual's members were using the same amount of water now as they used in 2013, the coupon would be approximately \$35 higher. Despite abundant rain and snow, there will be a price increase due to EBMUD's costs, such as replacing 50-year-old pipes and infrastructure. Please continue conserving water to keep utility costs down.
- If you have not had your "Manor Lube" completed, please contact the Mutual Operations Division (MOD). This is a service provided by the Mutual.

Finance Committee Report: David Bosley

The following financial statement review was presented:

Fund Balances	December, 2016	December, 2015	Change
Operating	72,010	67,779	4,231
Reserve	334,934	329,506	5,428

WALNUT CREEK MUTUAL NO. EIGHT

2016 Operating Fund Revenues and Expenses Highlights

	Actual	Budget	Variance
YTD Operating Expense	617,263	619,628	2,365
YTD Excess/Deficit	4,231	(2,478)	6,709
Key Variances Contributing to Surplus:			
MOD Dividend	3,230		
Gutter Cleaning	3,442		This will be incurred in 2017
Manor Inspection	3,920		This will be incurred in 2017

2016 Replacement Reserve Fund Highlights

	Actual	Budget	Variance
YTD Expense Total	181,464	210,884	29,420
YTD Excess/Deficit	5,428	(25,017)	30,445
Key Variances Contributing to Surplus:			
Roofing and Gutters	22,403		
Appliances	(5,305)		Expenditures \$35,099 or \$341 per manor
Carport Lights	(7,950)		Not Budgeted, approved by Board
Driveways	12,275		
Pipe Replacement	(4,829)		Bldg. 1232 Units 3-6 will be expensed in 2017
Landscape	10,984		

Galvanized Pipe Replacement: The most recent Pipe Replacement project has been completed at 1232 units 3-6. This cost is budgeted in 2017, and will be paid in 2017. As of December 2016, the total Pipe Replacement to date in 1232 includes the master pipe and Units 1-6 and Units 9 and 10. The balance of 1232 units will be placed on hold. 2018 projects will include 1208 master pipe replacement and units 1 and 2.

Roofing Projects: Original plans called for re-roofing 1268, 1284 and 1300. MOD discovered an omission in the Helsing Report that should have indicated 1268 was done in 2005. 1224 should be added to the list for 2017. It has had leaks in recent years. The 3 roofs cost should be in the range of the \$75,000 Budget.

Dangerous Trees: There are two trees in the Mutual that may pose a safety hazard, and

WALNUT CREEK MUTUAL NO. EIGHT

should be removed. The cost would be about \$8,200. The 2017 Budget is for \$8,000.

Underground Water Seepage: During the last storms, it was noticed that water had seeped through the concrete at the base of 1208 and 1232. We have begun the discussion with MOD regarding what actions, if any, should be taken. The first course of action, clearing known drains and locating and clearing drains that have been covered with soil around 1208 and 1232, was accomplished last week by MOD. The need for any additional projects and the cost of them are unknown. For example, a large French Drain around one building might cost about \$30,000.

Landslide: During the last storms, a landslide occurred below 1122. We have begun the discussion with MOD to determine the geology of the area and regarding what actions, if any should be taken.

Landscape Committee Report: Cindy Ware

MOD provides 22-days of landscape services for general work. An outside contractor is hired for the weekly landscape maintenance services or on larger landscape projects.

Membership Committee Report: Linda Jorgenson

Our care and condolences go out to Jeanette Mungiole for the loss of her husband. New members George Miller, Maureen Robinson & Hayward Williams were welcomed to the membership.

Social Committee Report: Sally Kennedy

Cindy and Jim Ware were thanked for their assistance in preparing the last Snack and Chat that was held on February 6th. The next Snack and Chat will be held on the first Thursday of April or May, depending on the weather. The Summer Potluck will be held at Dollar Clubhouse on Friday, August 11th, at 5:30 p.m. The Holiday Social may be held at Dollar Clubhouse on Monday, December 4th from 10-3 p.m. or at the Hillside Vista Room on December 14th from 4-9 p.m. Please contact Ms. Kennedy with your preference.

Resignation of Board Member

The resignation of Treasurer Denise Lester was announced to the membership.

Appointment of New Board Member

A motion was made to appoint Luther Avery to the Board of Directors as Treasurer and as Building Maintenance Committee Chairman.

Moved, Seconded, Carried 4-0

Building 1232 Re-piping

Finance Committee Chairman Bosley discussed the urgency that is necessary when re-piping buildings. Due to the displacement of a member, it is important to complete projects in a timely manner.

WALNUT CREEK MUTUAL NO. EIGHT

LED Carport Lighting

All the Mutual's carports have LED light fixtures installed and should save in utility and maintenance expenses.

Comcast Service Expansion

The Board has been tasked with the authority to accept or deny the Comcast phone service package at \$20 a month per manor and the package for two (2) DVRs at \$9 a month per manor. The plan is available to the Mutual through December 31, 2017. The Board is awaiting the transition process of all residents, before a decision is established.

Emergency Preparation

The Board is actively seeking a volunteer for Emergency Preparation Committee Chairman.

Approve Engagement of Auditor

A motion was made to approve the engagement of Bong, Hillberg, Lewis, Fischesser LLP (BHLF) for the audit of financial statements and the preparation of federal and state tax returns with an annual fee at \$5,400.

Moved, Seconded, Carried 5-0

Tree Removal: 1324 Skycrest and 1256 Skycrest

The Board discussed the need to remove a Monterey Pines at 1324 and 1256 Skycrest. A motion was made to remove the Monterey Pines located at 1324 & 1256 Skycrest.

Moved, Seconded, Carried 5-0

Approval of Landscaping Contract

The Board discussed and reviewed contracts for landscape services. A motion was made to approve the sustainable/organic landscape services contract with Gachina Landscape Management Company.

Moved, Seconded, Carried 5-0

Mudslide: 1122 Skycrest

The Board discussed the mudslide behind 1122 Skycrest. A motion was made to obtain a proposal to investigate the perimeter of all the Mutual's buildings for ground movement.

Moved, Seconded, Carried 5-0

Entry lighting

The Board discussed concerns with the angle of the curb at entry 4 which causes lighting issues. Building Maintenance Manager West will explore solutions to address the issue.

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. The following topics were presented and discussed: dry rot on balconies and

WALNUT CREEK MUTUAL NO. EIGHT

alarms on water heaters that detect leaks.

Next Board Meeting

The Annual Meeting will be held on Tuesday, May 2, 2017 at 9:30 a.m., in the Fairway Room, Creekside Complex.

Adjournment

There being no further business, the Meeting of the Board was adjourned at 2:40 p.m.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Board of Director's meeting.



Assistant Secretary
Walnut Creek Mutual No. Eight