

FIRST WALNUT CREEK MUTUAL
FORTY-EIGHTH ANNUAL MEETING OF MEMBERS
TUESDAY, OCTOBER 6, 2015 AT 10:00 A.M.
LAS TRAMPAS ROOM – HILLSIDE CLUBHOUSE

1st Vice President, Shanti Haydon, called to order the Forty-Eighth Annual Meeting of Members at 10:00 a.m. on Tuesday, October 6, 2015 in the Las Trampas Room, Hillside Clubhouse, Walnut Creek, California.

PRESENT: Shanti Haydon, 1st Vice President, District 5
Barbara Gilbert, Treasurer, District 2
Sally Nordwall, 2nd Vice President, District 1

ABSENT: Ken Anderson, President, District 4
Nancy Turnier, Secretary, District 3

Mutual Operations was represented by Paul Donner, Director of Mutual Operations; Doug Hughs, Building Maintenance Manager; and Anne Paone, Administrative Secretary.

Ms. Haydon welcomed the nine residents who were present.

CERTIFICATION OF NOTICE – Anne Paone, Administrative Secretary

Administrative Secretary, Anne Paone, read the Certification of Notice for the Annual Meeting of October 6, 2015 certifying that, pursuant to Article 6, Section 6.6.1 of the Bylaws of First Walnut Creek Mutual, notices of the location, date and time of the Annual Meeting were published in the *Rossmoor News* on September 2 and September 9, 2015 and the meeting was included on the calendar posted on the First Walnut Creek Mutual website.

APPROVAL OF MINUTES

Shanti Haydon asked for any additions or corrections to the minutes of the Annual Board Meeting and the Organizational Meeting held on October 7, 2014. Hearing none, Ms. Haydon declared them approved as written and reviewed.

MUTUAL'S OPERATION REPORT

Doug Hughs presented a slide show to the membership regarding major programs handled by MOD.

- Carpentry/Paint
- Roofing
- Public Works
- Water Cooled A/C Conversions
- Monterey/Carmel Entry Bridges
- Sewer Lines

Carpentry/Painting: Mr. Hughs reported that the pony walls that surround the front porches on Monterey style buildings originally did not have any building paper to protect the wood and this contributed to the accumulation of dry rot. When they were rehabbed, building paper and tar paper was installed. The beams were also capped with sheet metal.

Painting for the buildings includes 6 new color schemes that have 3 colors per scheme. Buildings are painted about every 8-10 years.

Roofing: Mr. Hughs reported that 53 laundry room roofs have been completed. Cement tiles have been replaced with fiberglass composite material. Additionally, attic vents are being added.

Public Works: Asphalt is replaced as needed and goes down to a depth of 4 inches. Often times only a sealcoat is applied if the asphalt is in relatively good shape.

Concrete sidewalk replacement work is often needed when tree roots grow underneath the concrete and raise certain sections causing trip hazards.

Water breaks often occur as a result of tree roots which can grow quite large and wrap about the piping which can crush the water pipe. This adds to the challenge in repairing such water breaks.

Water-Cooled Air Conditioners: Mr. Hughs reported that there are 546 water-cooled air conditioners. The water ultimately ends up in the storm drains and is not recycled. Four new air conditioners were installed on a test basis. They are being monitored for efficiency. Any problems will be noted. Cost is always a consideration. The new air conditioners are much quieter. There will ultimately be a big savings in the Mutual's water bill.

Monterey/Carmel Entry Bridges: Mr. Hughs reported that there are only 2 bridges left to be done. The new bridge ways are made up completely of steel and concrete so they will have a very long life. The new concrete surface is poured with a slightly higher center line so that water doesn't pool in the center, but instead runs off to the sides.

Sewer Lines: Mr. Hughs reported that all of the sewer lines throughout the Mutual are made of cast iron. Some of these lines are starting to rot out at the bottom which results in repeated backups. Mr. Hughs has found a company that can insert a new lining within the existing sewer line in such cases. An epoxy coated fiberglass 'sock' is blown through the entire length of the sewer pipe. Once this epoxy hardens a robotic cutting tool is snaked up this new line and cuts in the branch tie-ins. The finish product is a strong, new, supportive pipe which will last for many years. This procedure avoids the need to jackhammer up the concrete slab in order to access the rotted sewer lines for replacement work. This will save a tremendous amount of time, money and inconvenience for the Mutual.

Shanti Haydon, 1st Vice President, reported on behalf of the President, Ken Anderson who was unable to attend the meeting. She read his report as follows:

First of all, I want to thank Barbara Gilbert and John Nutley for their excellent service to First Mutual—Barbara for her many years on the Board and service as our Treasurer, and to John for his experience and expertise on all things Rossmoor.

I am very happy to report that FWCM is expected to finish 2015 in excellent fiscal health with an Operations balance of almost \$654,000, a Reserve of over \$4.7 million, and a future coupon for 2016 we hope will remain essentially the same for the Mutual as it was for 2015.

We started off the year putting the finishing touches on the new Policy, with copies being mailed in February. This was the culmination of a year of hard work in addition to all the prior work done to redo the Bylaws for 2014.

Much of the Mutual's work and money was spent, as always, on repairing and rehabilitating our 50 year old buildings, plumbing, wiring, and landscaping. Doug Hughs continues to do an outstanding job on major repairs to the buildings and infrastructure of our Mutual; for example, once, in the same week he had three main water breaks, at night, several feet underground. Doug is also to be commended for pursuing the replacement of our water cooled air conditioners, which are aging rapidly and wasting water.

Rich Perona has done an excellent job on keeping our landscaping beautiful while meeting our special and changing circumstances. He is to be especially congratulated for being way ahead of the curve on reducing water usage by removing lawns and substituting drought tolerant plants. His leadership in this water conservation effort started fifteen years before our present four year drought. He has also vigorously pursued over \$18,000 in rebates in this year alone from EBMUD on our water bills; one such rebate, for example, was for \$9,500 by replacing the lawn between Entry AA and Entry B on Tice Creek Road with an attractive little park, thus saving not only the water but also a reduction in future maintenance, mowing, and fertilizer. More rebates are to follow. Rich is also responsible for a 41% reduction in water usage for all of Rossmoor since 2013. Both Rich and Doug are also to be commended on preparing for El Nino, should it arrive.

2016 will see new and old challenges alike. Very importantly, the Board will continue a tight grip on the budget while maintaining a safe and beautiful environment. Equally important will be the continued focus on water conservation, with or without an El Nino. And, as always, we will seek ways to improve parking and trash collection.

LANDSCAPING

Mr. Donner reported on the landscape turf removal. Approximately, 30,000 square feet of turf has been removed. This provided \$14,400 in EBMUD rebates. There will also be an \$8,800 reduction in the Valley Crest contract.

RESIDENTS' FORUM

Elizabeth Knefel reported that caretakers have been dumping things in the recycle bins. She was thanked for reporting what she observed and reminded that anyone from FWCM may use any bin, even if it isn't their entry.

A resident thanked the Board for not doing the cluster mailboxes. He also doesn't want PODS to stay too long. Mr. Donner reported that they cannot be left on the street per GRF and Public Safety. Mr. Nutley stated that he thinks Mutuals should have a policy on PODS listing approved locations and time limits.

Another resident thinks her area needs another pick up for the recycling bin. Mr. Donner reported that an extra pick up could be arranged, but there would be a charge to the Mutual. The Board would need to make that decision. Ms. Nordwall commented that garbage problems are unique to each individual area.

A resident mentioned that it might be a good idea to post a note reminding residents to close the laundry room doors and to keep the lights off.

SEATING OF DIRECTORS

1st Vice President, Shanti Haydon, announced that Ken Anderson ran unopposed and has been seated to the Board by acclamation. Jerry Priebat won the election and stepped up to fill the vacancy left by Barbara Gilbert.

Ms. Gilbert thanked the membership and said it was a pleasure serving on the Board. She also thanked Doug Hughs and the Budget & Finance Committee regarding the efforts to replace the water-cooled air conditioners.

ANNOUNCEMENTS

Ms. Haydon announced there would be an Organizational Meeting immediately following adjournment of the Annual Meeting.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:50 a.m. to an organizational meeting to elect officers.

/s/ _____
Anne Paone, Assistant Secretary
First Walnut Creek Mutual