

MINUTES

FIRST WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS FRIDAY, MAY 22, 2015 AT 11:00 A.M. DONNER ROOM – EVENT CENTER

PRESIDENT Ken Anderson called to order the regular meeting of the Board of Directors of First Walnut Creek Mutual on Friday, May 22, 2015 at 11:00 a.m. in the Donner Room, Event Center, Walnut Creek, California.

PRESENT: Ken Anderson, President, District 4
Shanti Haydon, First Vice President, District 5
John Nutley, Second Vice President, District 1
Barbara Gilbert, Treasurer, District 2
Nancy Turnier, Secretary, District 3

EXCUSED: None

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

Mr. Anderson welcomed the 14 residents in attendance.

APPROVAL OF THE MINUTES

Ms. Turnier moved to approve the minutes of the regular session Board meeting of April 24, 2015 as written and reviewed. Ms. Gilbert seconded and the motion carried without dissent.

Mr. Nutley moved to approve the minutes of the executive session Board meeting of April 15, 2015 as written and reviewed. Ms. Gilbert seconded and the motion carried without dissent.

LANDSCAPE REPORT

Mr. Donner read the following report provided by Mr. Perona:

LAWN MAINTENANCE: Mowing will be weekly.

Watering on schedule with weather conditions and will be adjusted to fall within EBMUD guidelines as the season progresses. System checks are underway throughout the Mutual. All turf areas were sprayed for broadleaf weeds as needed.

ENTRY MAINTENANCE: Crews are working on spraying for weeds in shrub areas and edging groundcover. The main task for crews has been pruning for non-flowering shrubs and hedges. All entries will be detailed monthly through the summer.

200 yds. of bark will be installed throughout the Mutual in June; this is included in VCL contract.

TREE MAINTENANCE: All work orders are taken care of monthly. Selected Olive trees along sidewalks were sprayed for fruit control.

We have applied to the city to remove several trees: Tice Creek entry 'C' a dying Cypress tree; Golden Rain entry 24 a dead Pine tree; Golden Rain entry 26 a dead Silver Maple; Tice Creek a leaning Pine tree and dying Giant Redwood; Rockledge Lane entry 6 two dying Pines; Rockledge Lane entry 7 a dying Pine; Oakmont Drive entry 16 two hazardous Pines.

LANDSCAPE REHAB: The landscape crew is working on District requests. The turf removal project on Tice Creek between entries 'AA' and 'B' will be starting soon.

Mr. Donner added that the drought has been very difficult on pine trees. He reminded everyone that if a sprinkler breaks, they should call the Work Order desk. It goes to voicemail after hours. If damage is being caused, call Securitas. They will call the after-hours on call person.

RESIDENTS' FORUM

Elizabeth Knefel, Golden Rain Rd. - Ms. Knefel had some questions about the laundry rooms. She wanted to know if the cleaning crew is allowed to use the machines to wash their cleaning rags. Mr. Donner said he would look into the matter as there may be some misunderstanding on the part of the crew.

Mary England, Fairlawn Dr. – Ms. England wanted to recommend to the Board that they do not accept the Draft Restated Trust Agreement as written and in the future get more legal reviews.

Nancy Groswired, Pine Knoll Dr. – Ms. Groswired reported that she is not happy with MOD's service regarding getting a light changed. It took 9 days. Mr. Donner reported that MOD is working on getting new bulbs.

She said the recycle bin is only picked up once per week. The laundry room has a nice lawn in front and the roofers put some items on the grass. Additionally, the laundry room was not available and people were using other laundry rooms. Mr. Hughs advised her that the main panel for the laundry room was out and the meter was off. PG&E was called so MOD could change out the panel. It took PG&E 5 weeks to respond. Mr. Donner reported that Rossmoor has been working with the trash company. They have assigned a supervisor to work with Rossmoor. They are concentrating on scheduling and route issues.

Mr. Donner reported that a resident may go to the website for Contra Costa County Solid Waste Authority and contact Lois at Recycle Smart.

Mimi Leonard, Pine Knoll Dr. – Ms. Leonard wanted to talk about the trash issues. Mr. Donner suggested that she send him an email and outline the problems. She was concerned because the dumpster lids are very heavy to lift.

Mr. Donner reported that MOD has been taking complaints and logging them in to send directly to the company.

Mr. Preibat suggested placing the dumpsters at right angles allowing for more room to move around when inside the trash enclosure. Mr. Donner will check into this suggestion.

TREASURERS REPORT

Mr. Donner reported the following from the treasurer's report:

The Mutual is in outstanding financial condition. For the month of April, the operating account is \$57,315 better than budget. The reserve account is \$183,184 better than budget for the year. The Mutual is under in insurance by \$94,079 and that amount will continue to grow monthly by \$32,500, unless there is a shared deductible event. Utilities are \$146,771, which is all related to water. This number will probably come back to even or maybe slightly over budget depending on the charges from EBMUD. There is a scheduled 9% increase in July and a drought surcharge of 25% per month when they fill up the reservoirs from Sacramento.

Mr. Donner reported that currently all the accounts are at Mechanics Bank. In early June the reserve accounts will be moved to City National Bank and will have reduced fees. The checks will be cut from that account and reserve checks will require 2 signatures. The operating account will remain at Mechanics Bank for now.

Ms. Gilbert reported that the aged receivables have one major delinquency. The attorney is working on it and the Mutual will eventually get its money. People that aren't signed up for ACH keep paying the \$25 late fee.

Ms. Gilbert asked that everyone remind their neighbors to conserve water. Call the Board if you notice anyone doing something against this request.

Ms. Almons was unavailable, but the next Budget and Finance meeting is on July 22 and all are invited to attend.

MUTUAL OPERATIONS REPORT

Mr. Hughs gave the following report:

CARPENTRY-Carpentry crews are currently working on 1841 Golden Rain Road, entry 9, 2025 and 2041 Golden Rain Road entry 12.

PAINTING-Painters are working on 1208 Rockledge Lane, entry 6 and 2525 Golden Rain Road, entry 18.

ROOFING-Roofers are working throughout the Mutual replacing all of the tile laundry room roofs. They are currently working on laundry rooms located on Pine Knoll Drive and Golden Rain Road.

ASPHALT- Major paving work will be starting next week Wednesday the 27th and continuing through to Monday, June 1st. Pine Knoll Drive entries 4, 5, 6, 8 & 9 will be affected. This has been detailed in the Rossmoor news. Notices will also be posted in the affected entries and at people's front doors detailing the exact days they will be affected.

WATER COOLED A/C-We will be doing our first conversions of water cooled to air cooled A/C units next week on Tuesday and Wednesday up at 1208 Rockledge Lane. We will do four of the units as a test case to see what, if any, unforeseen problems come up. This should save the Mutual quite a bit in water savings in the near future when we get this program up and running.

There was some discussion regarding what happens when paving work is done in the Mutual. Ms. Turnier will go with Mr. Donner to talk to the contractor doing the paving work. Mr. Hughs reported that entries generally are closed for one day and open the next.

Ms. Gilbert reported that John Hindenauch on the Budget and Finance Committee worked hard to get the numbers associated with the advantages of switching from water-cooled to air-cooled air conditioning units. It will be a long process to convert everyone.

Ms. Turnier reported that residents see some work being done on roofing and then the crew is gone and it appears they aren't working. Mr. Hughs explained that the work is done in

phases. Crews move from building-to-building. The crew is paid by the building, not on a time basis.

PRESIDENT'S REPORT

Mr. Anderson reported that the Presidents' Forum met and Cindy Ware proposed a solar array on Rockledge Drive. The Trust Agreement was discussed. Presidents were inquiring about an improved protocol for letting residents know when the water is off. This is difficult to do, especially at night. The role of the Walnut Creek police and their areas of jurisdiction were discussed. They will come in if there is an emergency or if someone is parking in red zones. They always come in for any criminal matters. The Presidents also discussed the pension plan for employees.

ORIENTATION – Jerry Priebat

Mr. Priebat reported that there was a record attendance of twenty new residents at the orientation. He also noted that younger people are moving into Rossmoor. The next meeting will be held on July 7, 2015 at 10:00 a.m. in the Donner Room.

POLICIES/BYLAWS – Ken Anderson

No report.

UNFINISHED BUSINESS

The Board was asked to vote on the Draft Restated Trust Agreement. Mr. Anderson reported that the Agreement has become too complex and there are some substantial changes made to it. This was not supposed to be the original purpose of the changes. Mr. Anderson called for a motion.

Mr. Nutley motioned that the Board vote against the Draft Restated Trust Agreement as presented. Ms. Gilbert seconded and the motion carried without dissent.

Mr. Anderson reported that Mr. Nutley would like to present an amendment to the Agreement.

Mr. Nutley gave some background on the Trust Agreement. He reported that there is no longer a need to report to the Federal Housing Administration because in 2010 there were no more mortgages outstanding that the FHA guaranteed.

Mr. Nutley proposed the following amendment for consideration, which would be Amendment III:

The participation and approval of the Federal Housing Administration in the affairs of the cooperative Mutuals and the Golden rain Foundation, as all mortgages have been paid; its rights and approvals are hereby repealed.

Mr. Nutley motioned to have his proposal presented to the Golden Rain Board for consideration. Ms. Turnier seconded and the motion carried 4-0. Ms. Gilbert abstained.

NEW BUSINESS

Mr. Anderson reported that the Board has been considering towing of vehicles. Signs would need to be installed at each entry alerting everyone that vehicles may be towed. This is based on the Davis-Stirling civil code. Otherwise notices must be posted on vehicles giving a 96 hour notice. Ms. Turnier is against having signs posted at each entry. She thinks it would be expensive. She noted that there are other ways to proceed and doesn't feel that it is a large problem in the Mutual. Ms. Gilbert reported that she does get calls about cars illegally parked. For now, the Board will not post towing signs.

Mr. Anderson announced that FWCM is addressing carports and the issue of items being stored in them. Approved cabinets may stay, but other items need to be removed.

Mr. Anderson reported that he will place an article in the Rossmoor News regarding electric vehicles and charging. He wants to be sure residents consider how they will charge the vehicle because not all buildings can support charging. He recommends speaking to the building maintenance manager before purchasing a car so residents would have an understanding of what the outlets in their building can support.

ANNOUNCEMENT

The next regular Board meeting: Friday, June 26, 2015 at 11:00 a.m. in the Donner Room at the Event Center.

ADJOURNMENT

Having no further business, the meeting adjourned at 12:15 p.m.

/s/

Nancy Turnier, Secretary
First Walnut Creek Mutual