

MINUTES OF WALNUT CREEK MUTUAL NO. TWENTY-TWO
QUARTERLY MEETING OF MEMBERS
DECEMBER 12, 2016, 10:00 A.M.
CLUB 22, 4033 TERRA GRANADA DRIVE

ROLL CALL: All Mutual 22 Board Members were present: Ping Tse, President; Nazli Monahan, Vice President, and Maureen Lawson, Secretary-Treasurer.

FROM MOD; Paul Donner, Dir. Mutual Operations, was absent, Rebecca Pollon, Landscape Manager, arrived at 11:00 a.m. (had time wrong) and Rick West, Building Manager, was present.

MINUTES OF 10/12/16 BUDGET REVIEW MEETING AND 9/12/16 QUARTERLY BUSINESS MEETING, WERE APPROVED BY CARRIED MOTIONS OF THE BOARD.

FINANCIAL REPORT: In Paul Donner's absence, Rick West covered our latest financial report as follows: \$7,671 in our Operating Fund, \$ 228,385 in our Reserves Fund, for a total of \$ 236,056 ytd. The board passed the 2016 audit approval by carried motion.

BUILDING MAINTENANCE REPORT: RICK WEST
Failure of 4033 northwest supporting posts.

Rick began his report with the major current issue of the severe failure of the 4033 northwest corner supporting post of three levels due to dry rot. Destructive testing was done and the corner was shored and completely braced with vertical and horizontal 2X4's. This emergency work was done by AMAX at a cost of \$2,000 and performed the day after the problem was discovered (11/22/16). An outside Structural Engineer inspected the site and she is currently putting together plans which will become a scope of work which will go out to bid followed by the contractors bidding process which hopefully will take place within the next two weeks (12/19-12/26/16). As soon as MOD receives the bids, they will be reviewed by Mutual 22's board and most probably a special executive board meeting will be scheduled to approve one of the bids for proceeding with the replacement work. Rick reported that there is a wide range of cost predictability for this work as anywhere from \$40,000 to \$100,000 and that the Mutual can afford the cost but the board and MOD wants to avoid depleting our reserve fund down to an unworkable amount for 2017.

Rick also reported on some dry rot in the breezeway ceiling near the elevator. This is not a safety issue at this time and the area has been opened up to drain out any moisture so the area can be assessed at a later date for repairs. When asked by a resident about mold

occurring in the dry rotted areas, Rick reported that since the area is outside, mold will not be an issue.

Rick and Keith Peedle, Construction Foreman of MOD, along with Mutual 22's Board did a walk-thru of the three floors of 4033 breezeways on 12/8/16. Keith made notes of repair issues according to their priority and safety and Rick presented this list to the Board for their consideration of priorities. This walk-thru included woodpecker damage done to one of the unit's balconies. The woodpecker repairs and damage prevention was taken care of on Friday, 12/9/16 by MOD's carpentry crew. The walk-thru also included balconies inspections from the mutual driveway.

Gutter Cleaning Proposal

Rick presented the full gutter cleaning proposal from All Clear, the cost of same being \$1,900. This was the lowest of three bids and the same company the Mutual has used in past years. Their estimate for this cleaning was reduced by \$200 in comparison to last year's proposal.

LED Lights for Landscape Lighting and Duplex Security Lights

Sang Electric is currently putting together a proposal for the remainder of exterior LED lighting which will probably be submitted by our next board meeting in March 2017. 4033 breezeway and carport lights have been changed to LED's as well as the duplexes carport lights. These lights will reduce our monthly power bills considerably. The lights burn for 50,000 hours which cuts down on bulbs having to be replaced by MOD at \$70/hour.

4013-1B Bathtub Leak into Lower Unit

Davis Plumbing searched out this problem which has been fixed and charged to the Mutual for repairs.

Elevator Failures

One of the 4033 third-floor residents complained about the elevator failing frequently which causes a severe hardship on her since she is unable to negotiate the stairs. It was agreed to place signs on the outside and inside the elevator doors with the MOD work order phone number (988-7650) for weekdays from 8:00 am to 4:30 pm and Securitas' Number for holidays and weekends. The inside elevator phone goes to Securitas when used and they ask the rider what the problem is and will instruct them what to do. After 19 seconds, The computer will report which mutual elevator is involved. It was suspected that the elevator doors not closing could be deliveries made to residents wherein the doors have to be held open via the emergency open-door button by the delivery crew and then their failure to cancel the button before they leave. **It was suggested that residents having deliveries of furniture, appliances, etc., remind the delivery crew to put the elevator door back in working order before leaving.** The board will issue an email reminder to residents of 4033. Also, signs for delivery crews will be posted inside

the elevator to help remedy this problem. President Ping mentioned checking with Otis to make sure they are doing their elevator inspections on a timely basis to help keep the elevator running properly.

4033 and Duplexes Balconies Inspections

Balconies of 4033 and duplexes have been inspected for safety issues and no problems were found. MOD has suggested that 4033 breezeway stucco ceilings be replaced with wood for longer life and improved safety. The same should be done to 4033 outside balcony soffits. This work can be scheduled on a yearly basis and since it will be expensive, small sections can be completed at a time. 4033 Residents were asked to look at their balcony ceilings from time to time for possible stucco breakdown and flaking and report same to board.

LANDSCAPE REPORT: MAUREEN LAWSON AND REBECCA POLLON

Landscape Contact Maureen Lawson reported the following items: Large beetle-invested dying pine tree was removed across from 4001 on the south hillside and oleanders were added to the area to fill in; entry sign garden was rehabbed; new plants replaced in 4033 Courtyard; and 4033 southeast steps area as well as irrigation line replacement there. Upon her arrival at the meeting, Rebecca reported that lawn mowing schedules have been cut to every other or every third week due to seasonal low lawn growth. Irrigation controls are off for the rainy season; new plants can be watered if necessary or a dry spell will warrant turning the controls back on. In January necessary shrub pruning will take place. Rebecca and Maureen agreed to meet regarding courtyard tree pruning/shaping before scheduling the work. Resident in 9A asked and Rebecca agreed that the tree in the back of her unit be trimmed from the bottom so she can see out.

PRESIDENT'S REPORT:

Ping asked attendees to introduce themselves and tell their address since some new residents were present. He answered a question as to how the northwest corner dry rot problem was discovered: Basically, Keith Peedle from MOD showed Ping that the nw corner of the second floor breezeway floor was sinking a couple of inches and the surface was softening due to water invasion. The next day Amax Construction opened the supporting post area which was heavily damaged by dry rot. Their crew immediately installed that afternoon shoring and bracing lumber to temporarily and safely support the second and third breezeway floors at a cost of \$2,000.

Ping then briefly reviewed the 2017 Budget disclosure booklet that all residents received earlier this month by mail. He also briefly explained the Helsing Group Inc. report which is under the State of California's Davis-Stirling Act covering community living and that they inspect all mutuals once every three years evaluating and recommending maintenance work that needs to be done. If the mutual does not follow recommended

maintenance work, a disclaimer is placed on the mutual and mutual insurance will not cover any problem that is related to incomplete maintenance work. The first Helsing report for 2017 included an assessment for each residence due to a lot of maintenance requirements and related costs. Ping and Rick West reviewed the maintenance requirements, some of which had been completed, i.e., LED lights installed, etc. and Helsing agreed to remove the assessment requirement saying that we are currently marginal for a possible assessment in future years.

Major items include pavement resurfacing, building painting, and tile roof replacement to be scheduled over the next few years and may have to be re-visited with Helsing due to the 4033 dry rot repair/replacement and the final cost of same. The Board is working in a basic low threshold spending mode to keep our mutual financially stable at this time, safe, and properly maintained. Our coupon is still below average coupons for the Valley and will be slightly raised each year for increasing our reserve funds to pay for maintenance needs.

VACANT FOR-SALE BUILDING IN 4033 (1A)

Maureen and realtor Sonja Weaver reported on the availability of the above unit with an asking price of \$499,000, 2Bed/2Bath.

RESIDENTS' FORUM

In answer to the question whether balconies are inspected from inside or outside, Ping stated that for the most part they are inspected from the outside unless additional inside inspection is necessary. Ping and MOD inspected the 4033-4B balcony and tested the bracing bolts which were found to be tight and sound.

The subject of not using garbage disposals due to old drain and sewer systems was revisited and some residents are using the mesh drain covers so nothing goes into the drain. The mesh covers can be washed in the dishwasher. Dishwashers are better than washing dishes by hand and dishes do not have to be rinsed before placing in the dishwasher.

The President stated that as any further maintenance problems arise, the Board will let the residents know and if it is necessary to call an executive session of the board, residents will be invited to learn any new information. As soon as a plan and estimates are in place to repair the 4033 dry rotted posts, the board will let the residents know. Residents were asked to check their units frequently and if problems or abnormalities are found, please let all three board members know by email so we can quickly address the problem..

ADJOURNMENT: The meeting adjourned at 11:32 a.m.

Next regular quarterly meeting will be Monday, March 13, 2017, at 10:00 a.m.

Next Residents Birthdays Celebration Party will be sometime in January; flier will be coming.

Respectfully submitted,
Maureen Lawson
Mutual 22 Secretary-Treasurer