

MINUTES

SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, APRIL 23, 2015 AT 9:00 A.M. PEACOCK HALL – GATEWAY COMPLEX

President Barbara El-Baroudi called to order the regular meeting of the Board of Directors of Second Walnut Creek Mutual at 9:00 a.m. on Thursday, April 23, 2015 in Peacock Hall, Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: Present: Barbara El-Baroudi, President
Sandy Skaggs, Vice President
Clay Dunning, Treasurer
Pat Dulmage, Director
Richard Unitan, Secretary

Excused: None

Mutual Operations staff was represented by Rick Chakoff, Chief Financial Officer; Mark Marlatte, Building Maintenance Manager; Rich Perona, Landscape Manager and Anne Paone, Administrative Secretary.

There were 7 residents in attendance.

APPROVAL OF THE MINUTES

The minutes of the regular Board meeting of March 19, 2015 were approved without dissent as written and reviewed.

The minutes of the Executive Session Board meeting of March 19, 2015 were approved without dissent as written and reviewed.

RESIDENTS' FORUM

Betty Price, Canyonwood Ct., Entry 11 – Ms. Price had some questions about water usage. Mr. Perona advised her that he will have a report on water later in the meeting.

Ann Stanwood, Canyonwood Ct., E 10 – Ms. Stanwood had a question about trim painted on the buildings. She thinks too much trim is being painted. Ms. El-Baroudi explained that the Board changed the palette and style of the painting and that it needed to start somewhere. Mr. Marlatte reported that the cost varies between 9%-30%. All the siding and trim is pre-primed, so it won't deteriorate while waiting to be painted.

LANDSCAPING REPORT – Rich Perona, Landscape Manager

Mr. Perona reported on the current water situation. ET Smart Water Controllers are used. There is a weather station on top of his office. It evaluates how much water evaporates. The satellite transmits information to the computer and the water schedule automatically gets adjusted. Mr. Perona can also manually adjust the computer. Mr. Perona and his staff will have to wait to see how the plants and lawns do on this schedule.

Mr. Skaggs reported that EBMUD requires a reduction of 16%.

Mr. Perona is trying to see if he can get additional funds for the landscaping project at Tice Creek, which involves the removal of turf between entry AA and B. Mr. Unitan is also working on obtaining funds.

Mr. Skaggs moved to proceed with the Tice Creek project and continue efforts to obtain contributions from charitable organizations and trusts with the project not subject to getting those funds. EBMUD will provide rebates. Mr. Dunning seconded and the motion carried without dissent.

Mr. Dunning reported that the cost of the project is \$12,655. There is a rebate of \$3,219 so the SWCM share of the project will be \$9,436. That will be an annual net savings of \$3,745 of water and maintenance.

Mr. Perona reported that the roto sprinklers put out about 4-5 gallons per minute. EBMUD recommends using MP rotators. They put out less water and the water soaks in better. They have started changing them out valley-wide. GRF is reducing areas that are watered and have changed rotators on the Rossmoor Parkway median strips. Mr. Perona has reduced watering to 50%. Some lawn areas along the median islands, where they narrow down, will be eliminated and replaced with rock. The maintenance costs will come down where bark has been substituted for landscaping for both the Mutual and GRF.

Mr. Perona read the following report:

LAWN MAINTENANCE: Lawns are being fertilized this week and next week with sulfur coated urea, a slow release fertilizer. Irrigation controllers are watering two days a week. Lawns were recently aerated and treated for broadleaf weeds.

ENTRY MAINTENANCE: Crews are on monthly schedules pruning shrubs and groundcovers, cleaning up debris, and spot spraying weeds.

TREE MAINTENANCE: Waraner Brothers Tree Service handles all work orders.

LANDSCAPE REHAB: The crew is currently working in Singingwood entry 2 and is about 60% thru the entry.

Terra Landscape is working on the retaining wall at the corner to Tice Creek and Ptarmigan and is currently waiting for a City permit.

Mr. Perona reported that when doing landscape rehab, they are using a lot of bark to retain water and moisture.

BUILDINGS AND FACILITIES REPORT – Mark Marlatte, Bldg. Maintenance Mgr.

Mr. Marlatte reported on the following: Carpentry and painting maintenance: Carpentry and painting has moved to Ptarmigan Drive, entry 2, and are finishing 1201 Canyonwood Court. Roofing program: The roofing program has started on the carports. Four carport roofs are completed as of today. Bridge and stair replacements: inspecting remaining bridges for 2015. Deck coating: scheduling as required in P.M. area and elsewhere as needed. Appliance replacements: \$23,917.00 for the month of March. Roof and gutter cleaning: on an as needed basis. Manor lube: 2015 manor lube has started. Paving and seal coat: Finish entry 5, Tice Creek Drive and entry 7 scheduling in progress.

Mr. Marlatte reported that they have already gone through 500 sets of low-flow faucets and shower heads. Most residents are cooperating.

TREASURER'S REPORT – Rick Chakoff

Mr. Chakoff reported that year-to-date the Mutual has a surplus to budget of \$149,000, but some of this is due to timing. Building maintenance has a deficit, but is also due to timing and plumbing issues. Utilities have a surplus to budget of \$109,000, which is mostly due to water. There is a surplus in insurance. The insurance policies came in under budget. With no fires, this should grow by \$20,000 each month.

Mr. Dunning reported there were 5 resales in March with a median price of \$227,000. There were 19 year-to-date sales with a median price of \$235,000.

Mr. Chakoff reported that City National Bank will provide free checking for the Mutual. Mr. Chakoff is working with the software vendor and the process should be done by the end of the month. The accounts may move in May.

Mr. Dunning motioned to move the Operating and Reserve accounts to City National Bank with the understanding that there will be no charges of any kind for the duration of the Mutual's relationship with the bank. Mr. Unitan seconded and the motion carried without dissent.

PRESIDENT'S REPORT

No Report

WATER CONSERVATION COMMITTEE - Dick Unitan

No report.

EMERGENCY PREPAREDNESS REPORT

Mr. Unitan reported that there is an earthquake meeting today. He also reported that Entry 16 emergency preparedness coordinators had gotten a shed for their supplies. To celebrate, they had a ribbon-cutting ceremony by Dick Unitan and Barbara El-Baroudi. They also had a potluck for the residents.

Ms. El-Baroudi reminded the membership that entry coordinators are needed for this committee.

UNFINISHED BUSINESS

The Board is discussing the possibility of holding its annual meeting in the evening this year. They are also discussing holding a town hall meeting in the evening.

NEW BUSINESS

Ms. El-Baroudi reported that they are planning a meeting of the TARR committee on May 8th in the Gateway Board Room. This will probably be the last meeting. Mr. Dunning stated that the Mutual did not reject the draft restatement. SWCM has requested TARR to provide additional information that would allow it to make an informed decision on the proposed amended Trust Agreement.

ANNOUNCEMENTS

Ms. El-Baroudi announced the following meetings:

Second Mutual Regular Monthly Meeting – Thursday, May 21, 2015
9:00 a.m. Peacock Hall – Gateway Complex

GRF Regular Board Meeting – Thursday, April 30, 2015 at 9:00 a.m.
Peacock Hall – Gateway complex

ADJOURNMENT

Having no further business, the meeting adjourned at 10:00 a.m.

/s/ _____
Dick Unitan, Secretary
Second Walnut Creek Mutual