

MINUTES

SECOND WALNUT CREEK MUTUAL REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, AUGUST 21, 2014 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, August 21, 2014 in Peacock Hall, Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

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

Excused: Sandy Skaggs, Vice President

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

There were 6 residents in attendance.

APPROVAL OF THE MINUTES

The minutes of the regular and executive session Board meetings of July 24, 2014 were approved without dissent as written and reviewed.

RESIDENTS' FORUM

None

LANDSCAPING REPORT – Rich Perona, Landscape Manager

Mr. Perona reported that watering has been reduced on the lawns more than shrubs because the lawns will come back in the winter with the rains. EBMUD has requested watering only 2 days per week.

LAWN MAINTENANCE Lawns were fertilized in mid-August with sulfur coated Urea. Controllers have been turned back on. Irrigation to lawns has been reduced to two days a week, per EBMUD mandate.

ENTRY MAINTENANCE Crews are concentrating on monthly schedules, pruning shrubs and groundcovers and spot spraying weeds.

TREE MAINTENANCE Waraner Brothers Tree Service handles all work orders.

LANDSCAPE REHAB The crew is currently working in Singingwood Court entry 6. This involves removing all of the old landscape, installing block walls, new irrigation, new shrubs and trees and the installation of shredded bark and lodi rock. Drain issues will also be resolved during this time.

Pat and Rich are meeting with residents of 3100 Tice Creek on 8/22 to discuss re-landscape work in front of the building.

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

Mr. Marlatte reported that carpentry and painting maintenance has moved to Canyonwood Court – Entry 8; The Roofing Program is 90% complete and are finishing some carports and laundry rooms; They are inspecting remaining bridges; Deck coating is scheduled as required in P.M. area and as needed; Appliance replacements for July cost \$22,380.00; Roof and gutter cleaning is finished; Manor Lube 2014 is 80% complete; Paving and seal coat is completed for the year.

TREASURER'S REPORT – Rick Chakoff

Mr. Chakoff reported that the Mutual is over budget by \$155,000 in the expense areas. The expenses are from building maintenance and public works, which includes gutter cleaning, sheet metal gutter repair and plumbing sewer backups. Paul Donner and Rick Chakoff will look at charging some expenses to reserves which will bring the operating expenses closer to the budgeted numbers. Insurance is over budget by \$51,000 due to the deductibles for fires. PG&E and water are \$9,000 under budget.

There is about \$500,000 in outstanding receivables from our insurance carrier related to the Running Springs fire. One of the insurance companies performed an audit of reconstruction costs and is alleging the Mutual was over charged because the hourly rate that the contractor was charging is higher than it should have been, and therefore, had more profit built into the figures. The Mutual's attorney and Mr. Chakoff believe the Mutual will be paid. The insurance company has already paid 90% of the claim and led the Mutual to believe that they would pay the entire claim.

Mr. Dunning reported there were 6 resales in June with a median price of \$282,500. Year-to-date, there were 78 resales with a median price of \$272,500.

PRESIDENT'S REPORT

No Report

WATER CONSERVATION COMMITTEE - Dick Unitan

Mr. Unitan reported that there will be a Water Conservation Fair at the Gateway Clubhouse on Friday, August 22nd, and August 29th. EBMUD will be there to give tips on water conservation and they will be giving away free water-saving devices. The Water Conservation Committee was instrumental in obtaining these devices.

Mr. Dunning asked about low-flow items. Mr. Donner reported that the kit includes a faucet aerator for both the kitchen and bathroom. There is also a toilet kit that has an inflatable bag to place in the tank, leak detector tabs and low-flow shower heads.

Mr. Dunning wanted to know if SWCM can mandate the installation of low-flow devices. There was some discussion on how the mandate would be put into effect and who would pay the cost. The handyman service would install items at no charge. Otherwise, it would be less costly for the Mutual to hire an outside vendor because MOD would charge more to do the installations. Mr. Dunning suggested integrating the cost of low-flow shower heads and the other items in the EBMUD water conservation kit into next year's budget. Ms. El-Baroudi suggested that this be done during the manor lube.

The toilets are resident owned, but changing to a low-flow toilet can be mandated at the resale.

EMERGENCY PREPAREDNESS REPORT – Rose Kasmai

Mr. Unitan reported that on August 26 there will be a fire safety seminar in the Fireside Room at 10 a.m. The Contra Costa County Fire Chief will be the main speaker. There has been a series of articles in the Rossmoor News regarding fire issues and ensuring the safety of one's home.

OLD BUSINESS

Ms. El-Baroudi was expecting more residents at the meeting to discuss the golf port rental issue. Mr. Dunning commented that the old system of registering golf carts was a good system and that would make it easier to charge the fee. In addition it would be easier to identify a golf cart, especially if it is not parked in a golf port.

Ms. El-Baroudi commented that the fee should be separated out depending on whether the golf cart is gas or electric. It would not be fair to charge someone with a gas cart for electricity. The Mutual has seventy-seven golf ports. Sixteen are gas only, so an electric cart could not park there. Twenty-eight are gas and electric.

The electric carts should have a charge for using the electricity. Ms. El-Baroudi wanted to know what the cost would be to charge the battery. Also, what is the cost if the charger is left plugged in all of the time, but not being used?

Mr. Unitan reported that other Mutuals have raised their rates.

Ms. El-Baroudi will bring up the idea of registering golf carts at the next Presidents' Forum.

The Board agreed that they should collect information and address this matter at the next Board meeting.

Mr. Dunning suggested that they could probably do an inventory of how many carts are in the Mutual by checking at night when most carts would be parked. Perhaps Securitas could check.

NEW BUSINESS

None

ANNOUNCEMENTS

Ms. El-Baroudi announced the following meetings:

Second Mutual Regular Board Meeting – Thursday, September 18, 2014
9:00 a.m. Peacock Hall – Gateway complex

GRF Regular Board Meeting – Thursday, August 28, 2014 at 9:00 a.m.
Peacock Hall – Gateway complex

Trust Agreement Review/Revision – Friday, September 12, 2014
9:30 a.m. Board Room (Gateway)

Trust Agreement Committee –TBA
Gateway Board Conference Room

ADJOURNMENT

Having no further business, the meeting adjourned at 9:45 a.m.

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