

were offered at the meeting since most Mutuals are waiting to see how their residents deal with the existing bins.

- One of the Mutuals shared details of a discussion with the GRF insurance agent. One of the most important items pointed out by the agent was that various existing Mutual policies may not comply with the underwriter's requirements. These likely include barbeques, trip hazards, and other liabilities.
- Mutual 4 asked if any other Mutual used composted mulch. Mutual 4 was interested in residents' response to color and odor. No other Mutual at the Presidents' Forum had implemented composted mulch.
- Our CFO indicated that Mutuals must maintain crime insurance per Davis-Stirling civil code 5806 equivalent to the sum of all Mutual reserves plus 3 months of coupons. This equals \$41M. Our current insurance is \$40M. The policy will be increased to \$45M which translates to an increase in cost of \$6K per year spread over all of the Mutuals.
- The Mutual Presidents asked GRF if they had access to separate Mutual bills from Republic trash pickup to identify the fines imposed against our recycle pickups. The CFO specified that Republic only provides one bill. However, each Mutual can coordinate with MOD to review the charges to determine any fines against their Mutual.
- Facility Usage charges were provided by Chris Preminger to assist Mutual Presidents in determining renter status.
- Paul Donner provided a detailed explanation of MOD services and billing structure. The information illustrated how each Mutual utilizes MOD and how each service is billed.

TECHNOLOGY AND PREVENTATIVE MAINTENANCE TASK FORCE

Ms. Swisher reported the following:

Last Month's Activities:

- Continued drainage program by clearing debris from catch basins and drain pipes and removing debris from wire mesh, as needed.
- Continued to evaluate EBMUD water reports for Mutual 4 to identify evidence of major underground water leaks.
- Continued inspections of entries #10 through #17 Skycrest Drive for wood rot and painting issues.
- Assisted in the implementation of the organic composting bins. Due to space limitations, only 8 of 24 Mutual 4 trash enclosures had enough space to accommodate the bins. Residents remain confused if they are in entries without bins. They are being asked to place compost in landfill until the Mutual determines whether the 8 bins can handle debris from other entries. Various cleaning processes and schedules are being tested to determine what works best to maintain hygiene and safety in the trash enclosures. A problem with a raccoon trying to retrieve food from an organic bin in the Entry #13 trash enclosure was encountered.
- Resolved location of LED light installation at the SE corner of 2108 Tice Creek Drive. Light will be installed on 2108 carport exterior wall rather than in the ground.

- Continued reviewing the Condominium Design Drawings located at MOD to identify drainage, irrigation, and structural details. The drainage and irrigation layout will be highlighted on the Task Force project drawings for future use.
- Inspected various manors, at the owner's request, to identify maintenance issues. The Task Force is trying to inspect and assist in resolving issues at no cost to the Mutual.
- Inspected various Common Areas, at the owner's request, to identify landscape and erosion issues.
- Obtaining information needed to develop water pressure and leak testing procedures for all of the buildings in Mutual 4.
- Finalizing the IT and User documentation for the Mutual Modifications computer program to permit entry and retrieval of modifications data that could impact future work (e.g. changes to water line locations, types of piping used in modifications, installation of foundation piers, etc.). After the documentation is completed, beta testing will be performed by MOD personnel.

Activities Scheduled for Next Month:

- Continue ongoing activities listed above (drainage inspections, water reports, dry rot inspections, etc.).
- Continue working on the solar policy. There are various issues that have come to the attention of the Task Force during policy preparation. Resolutions vary depending on the solar contractor.

Open Items:

- Perform water pressure and leak testing at 1902 Skycrest Drive. This has been delayed because of remodeling on manor #2.
- Preparation of electric vehicle policy (waiting for external electrical inspection by Sang Electric).

TASK FORCE ON PARKING

Ms. Swisher reported that there has been a request to restrict parking on the right side of the street as you are entering Entry #3B. When vehicles are parked on both the left and right sides of the street heading down to Entry #3B, there is not enough room for emergency vehicles and trash collection vehicles to easily pass. Email received from some residents living in buildings on the left side of the street indicated approval of restricting parking on the right side only.

Mr. Schwartz moved to approve painting the curb red on the right side of the street as you are entering Entry #3B. Ms. Brown seconded and the motion carried without dissent.

Since the Board Director previously designated as Chairperson is no longer on the Board, the Board is going to appoint another Chairperson at the next Board meeting.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Pollon reported that 120 cubic yards of compost mulch will be placed after Memorial Day starting in Entry 7.

Ms. Pollon advised Ms. Swisher and the Board that they can look at the compost mulch at Mutual Eight. Organic compost can cost 10% more and landscaping will look different.

Ms. Pollon reported that the landscape department uses about 85 gallons of Round-Up for all of Rossmoor.

Mr. Schwartz asked if there was any liability to using Round-Up. Mr. Donner explained that the Board is covered under their D & O insurance. He reminded the Board that lawsuits were actually filed against Monsanto the manufacturer.

In the April 15 Executive Session, the Board discussed replacing the 19 irrigation controllers that are older than 10 years. The Board agreed that the controllers would be replaced as they failed. When this occurred, the need for approval would be brought before the Board at the Monthly Board Meeting.

Mr. Schwartz moved to approve extending the fire break an extra 50 feet for \$1560. Ms. Perrich seconded and the motion carried without dissent.

BUILDING MAINTENANCE REPORT

Mr. West reported the following:

INFORMATION ITEMS: Work in progress or completed.

1. 2019 Phase I Balcony Repairs – MOD to present the Board of Directors with Estimated cost for Balcony repairs. 2019 Deck/Balcony repair Budget \$81,700.00. Railings have extensive dry rot.
(Work in Progress).
2. 2019 Phase I Dry Rot Repair Project - Entries 1 thru 9 - This includes 19 buildings and 14 carports.
Contractor: MOD – Total estimated cost \$ 136,540.00. including Material and Labor. Change order approved for additional Dry Rot found after siding removal Estimated cost \$13,362.25
General Building Repair Budget for 2019 is \$182,600.00
(Work in Progress). New Total is \$149,902.
3. Inspection of Buildings for water pressure and slab leaks – Contractor: Five Star –
(Work in progress).
4. Replacement of Trash enclosure doors in entry #1 – Contractor: Five Star - 2 new PVC Vinyl Doors –
(Work Scheduled).
5. Interior and Exterior Panel Inspection and Lube - Contractor: Sang Electric – Interior estimated Cost \$7,000.00 Exterior estimated Cost \$5,000.00
(Work in Progress). MOD will provide a bid.
6. G – 11 Building Main Line Galv. to Copper re-piping estimate - Contractor: Five Star (Work Scheduled). Sent out to Leap Frog Plumbing for bid. Board asked for a bid from Roto Rooter.
7. Installation of new Christy Box next to 1910 SC – Contractor: Five Star.
(Work Completed).
8. 1901 SC sidewalk replacement project – Contractor: Five Star Estimated Cost \$2,125.00

(Work Scheduled).

Ms. Swisher reported the Board needs to ratify the vote in the May 7 Executive Session that approved \$81,700 for a MOD Phase I balcony repair contract.

Mr. Schwartz moved to approve the Phase I MOD balcony repair contract "Not to Exceed" \$81,700 with the stipulation that MOD provide a detailed breakdown of labor and materials costs, and monthly reports by MOD of contract charges. Ms. Brown seconded and the motion carried without dissent.

Ms. Swisher reported that the Board has received the breakdown between labor and materials. The Board is requesting, for purposes of the meeting minutes, information regarding the basis for the set-up fee of \$11,537.25. The administrative costs are 13% of this contract based on that amount.

Ms. Swisher reported that the Board needs to ratify the vote in the May 7 Executive Session that added \$13,362.25 to the Phase I wood rot repair contract.

Ms. Perrich moved to approve an increase in the Phase I MOD wood rot contract for \$13,362.25 with the stipulation that MOD provide a detailed breakdown of labor and materials costs consistent with the original contract. Mr. Schwartz seconded and the motion carried without dissent.

The Board is requesting, for purposes of the meeting minutes, information regarding the basis for the set-up fee of \$11,537.25.

Ms. Swisher reported that the Board is very upset that the Five Star contract to replace the galvanized domestic water lines under 9 of the G-11s with copper pipe and separate shutoff valves approved in the April 15 Board meeting for \$42,200 has been rescinded by Five Star. As a result, the Board wants bids from two other contractors prior to voting on the new bid. Also, the Board is requesting that any company bidding on future contracts greater than \$5,000 sign their proposals prior to presentation to the Board to ensure changes cannot occur in the future after Board approval.

The Board is waiting to have a new bid from AMAC for repairing the hot water under slab leak at 1149 Skycrest Drive #1 using Pex instead of opening concrete slab and repairing the copper line. The Board needs this bid to compare to the bid from Five Star. The owner is unhappy that the repair has not started.

Also, in order to accommodate an organic composting bin in the Entry #7 trash enclosure, Five Star needs to provide an updated proposal that includes a 4 foot addition to the concrete pad as well as the vinyl fencing. Mutual 4 has been waiting for the revised proposal for 3 months.

Ms. Swisher reported that in accordance with the motion approved at the March Board meeting, Tess Haskett, MOD Assistant Controller, has verified that the following two blanket work orders have been established:

A "Not-To-Exceed" limit on a blanket work order for MOD Supervision and Consulting of contract-related work that is billable to the Reserve budget for a total value of \$25,000.

A "Not-To-Exceed" limit on a blanket work order for MOD Supervision and Consulting of non-contract-related work that is billable to the Operating budget for a total value of \$10,000.

Ms. Haskett, MOD Assistant Controller, indicated that these costs will remain under "Carpentry" instead of Professional Services, Other. Ms. Swisher asked Mr. Donner if they

can be listed as separate items. Mr. Donner said it can be done. Ms. Swisher will speak to Ms. Haskett.

Ms. Swisher reported that the Board has encountered problems in the past with manor owners understanding the conditions associated with Owner Billable Work. Many owners are rejecting the costs of work performed by MOD or their contractors for follow-on work that is designated the owner's responsibility. The Board intends to prepare by the next Board meeting an "Owner Billable Confirmation Agreement" that must be signed by the Owner prior to any work performed by MOD or their contractor beyond emergency intervention.

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

Ms. Swisher reported the following:

Alterations Updates - Resident alteration requests covering the period 11/01/2018 to 4/30/2019 include:

- 13 alterations were approved by the Board and are in progress
- 3 alterations require clarification by the Board before approval.
- 37 alterations were completed.
- Compliance Updates
 - No compliance issues were identified in any of the above approved alterations. However, there are two items the Board needs to address:

Because the second Director on the Architectural Control Committee (ACC) recently resigned from the Board:

Mr. Schwartz moved to appoint Linda Brown to the committee. Ms. Perrich seconded. The motion carried without dissent.

Historically the Chairperson of the Architectural Control Committee (ACC), has been responsible for determining which alteration applications can be signed on behalf of the Board and which requests must be presented to the Board for approval. This has provided a more efficient method of doing business. However, Mutual 4 governance does not specify that the ACC has the power to perform this function without approval by the Board. As a result, I would like the Board to grant that a Director on the ACC has the ability to approve alteration applications on behalf of the Board as long as the alteration does not impact Mutual 4 Common Area, impact any Exclusive Use Common Area, or significantly change the exterior of any Mutual 4 building (e.g. size of window and door openings, unusual awning styles or color, etc.).

Mr. Schwartz moved to grant that a Director on the ACC has the ability to approve alteration applications on behalf of the Board as long as the alteration does not impact Mutual 4 Common Area, impact any Exclusive Use Common Area, or significantly change the exterior of any Mutual 4 building (e.g. size of window and door openings, unusual awning styles or color, etc.). Ms. Perrich seconded and the motion carried 3-1. (Linda Brown)

EMERGENCY PREPAREDNESS COMMITTEE

Steve Adza reminded the membership that EPO meets the first Monday of the month. The radio class was provided by Mr. Adza and another member. About 80 people attended. The CERT meeting is May 31st in the Fireside room at 10:00 a.m. A drill is coming up on June 3rd.

On June 1st, Hillside will hold a HAM Cram from 8-4 p.m. This is to acquire an entry level license. There is a test.

Abatement has been extended until June 9th. Mr. Adza will follow-up on the extension. Tree limbs may have to be trimmed to a higher level.

COMMUNICATIONS COMMITTEE

Since the previous Chairperson has stepped down, Ms. Swisher reported on behalf of the Committee:

- The Board is trying to update our website so future newsletters can be provided to residents on-line. For residents that do not have access to the Mutual 4 website or do not want to read the newsletters on-line, the Board will mail hardcopies of the newsletters to these residents. The reason for pursuing on-line newsletters is to provide Mutual information more often than 3 times a year and to reduce costs.
- The Board approved updates to some of the information on our web page.
- The Board is working with Carl Brown, our webmaster, to develop user profiles for future implementation of pin numbers to control access to portions of the website.
- Mr. Brown has offered to put updated homeowner insurance information on the website.

Ms. Brown moved to have Carl Brown update the website, remove Penny Wade as editor of the Newsletter and post insurance information. Mr. Schwartz seconded and the motion carried without dissent.

The Board plans to appoint a new Chairperson to the Communication Committee and is requesting Mutual members to volunteer for Newsletter Editor.

POLICY COMMITTEE

Since the previous Chairperson has stepped down, Ms. Swisher provided the report on behalf of the Committee:

- There is an open item regarding golf port usage, rent, and ownership. This is currently being researched.
- According to Tess Haskett, MOD Assistant Controller, the Mutual 4 policy on fines needs to be updated to be in compliance with Davis-Stirling.
- The Board plans to appoint a new Chairperson to the Policy committee and is requesting Mutual members to volunteer for this Committee.

OFFICERS REPORTS

1. Ms. Swisher reported that she would like to use the President's report as the mechanism for listing any work orders or invoices between \$500 and \$5000 that were signed during the past month by her per the requirements of the Board to ensure financial disclosure in the meeting minutes.
The following was approved by Ms. Swisher after clarification of the line item

charges:

Five Star Painting for \$1675.00 billable to Operating budget for drywall put-back at 1401 Skycrest Drive #2 resulting from bathroom drain water leak.

Attorney fees totaling \$848.00 from Adam/Stirling for general legal services.

Board member expenses totaling \$339.01.

The Board is planning to provide an email to the owner of 1149 Skycrest Drive #1 regarding the identification of a hot water line leak and the date it is repaired to assist the owner in requesting a refund from PG&E. This has been successful in the past.

2. Vice President: No report.

3. Treasurer: Ms. Perrich read her Treasurer's report. Based on the Financial Report, as of 3/31/2019, the YTD Reserve Fund balance is \$1,545,954 and the YTD Mutual Operating Fund balance is \$94,649. The Operating Fund shows expenses over budget by \$3,882.

Based on the Financial Report, as of 4/30/2019, the YTD Reserve Fund balance is \$1,565,616 and the YTD Mutual Operating Fund balance is \$97,966. The Operating Fund shows expenses under budget by \$830.

Delinquent Accounts: Fourth Mutual has many accounts that are delinquent. Many special assessments are delinquent over 90 days. Largest delinquent has \$15,570.12 for monthly dues and an additional \$3,950.00 for the special assessment.

Based on the new Davis/Stirling requirement that the Board perform a monthly review of the HOA financials, Ms. Swisher asked for a motion to certify the Board's compliance with Civil Code Section 5500.

Ms. Brown moved to certify the Board's compliance with Civil Coded Section 5500. Mr. Schwartz seconded and the motion carried without dissent.

4. Secretary: No report.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Appoint Inspector of Elections

Ms. Swisher reported there is one Board position up for election this year. It is her position and she has formally notified Assistant Secretary, Anne Paone, that she is seeking re-election to the Board.

With the upcoming election for this Board position, the Board needs to appoint an Inspector of Elections.

Ms. Perrich moved to appoint Assistant Secretary, Anne Paone, as Inspector of Elections. Mr. Schwartz seconded and the motion carried without dissent.

B. Process for Establishing Mutual 4 Committees

Ms. Swisher reported that recently Linda and Eva were trying to recruit new members to some of our committees and realized that there was very little information that described these committees. We definitely need to update and formalize our committee information. I'd like Linda to provide the Board with details resulting from her research on the subject.

Ms. Brown reported that there is a need to establish what the committee is: Advisory or a Board Committee. Ms. Swisher commented that she would like everyone on the Board to volunteer to be on a committee, too. Ms. Perrich stated there needs to be a mission statement for each committee. She will work with another Board member to do this. Ms. Brown has created templates. She will be the lead on this project.

C. Recognition of 50th Year of Construction of Mutual 4 Manors

Mr. Schwartz reported the Mutual is celebrating its 50th year of construction. Three signs will be placed around the Mutual.

Mr. Schwartz moved to immediately place these signs in Tice Creek Drive Entry #A, Pine Knoll Entry #7A, and near Entry #1 on Skycrest Drive and each month move them to other Entries on Skycrest Drive. Ms. Brown seconded and the motion carried without dissent.

D. Format for Mutual 4 Annual Meeting

Ms. Swisher stated that the Board needs to discuss the format for their Annual Meeting in August. Last year they limited the agenda to a 10 minute summary Report by the President detailing the past year's accomplishments. This was followed by 45 minutes of Residents Forum. It proved to be very successful and many residents thanked the Board for setting aside most of the meeting for resident questions and comments.

Mr. Schwartz moved to follow the same format as last year's annual meeting. Ms. Perrich seconded and the motion carried without dissent.

The Board also needs to determine whether the Annual Meeting will be followed by a sit-down dinner. The cost to the Mutual for the dinner has reached more than \$4000 when we only ask residents to pay \$12 per person. The Board either needs to charge the residents almost the full cost of the meal or should consider limiting the food portion of the meeting to hors d'oeuvres and beverages (wine & soft drinks) that are available both before and after the meeting. Mr. Schwartz was against having a dinner. He thinks it is out-of-line for the Board to spend money for this. Members should want to come to the meeting to hear what the Board is doing. The Board decided that Ms. Brown will get more prices before they make a decision.

ANNOUNCEMENT

The next meeting is the Regular Board Meeting scheduled for June 17, 2019 at 1:30 p.m. in the Board Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:47 p.m.

Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual

***The Board of Directors met in executive session on April 10, 2019 at 1:00 p.m. to discuss the following:

1. Legal Issues – Attorney reviewing letter to member regarding Hearing; Review of golf port matters; Review of Exclusive use and Common Areas regarding any taxation
2. Contracts – Various contracts were reviewed and requested
3. Member Matters – Negotiations regarding water damages
4. Payment Plans – Member (Heirs) are delinquent and Board considering foreclosure

Having no further business, the executive session adjourned at 4:30 p.m.

***The Board of Directors met in executive session on April 15, 2019 at 1:00 p.m. to discuss the following:

1. Legal Issues – Review of documentation for Designated Occupants between August 12, 2013 and January 2019 is completed; Results of Hearing letter reviewed by attorney and sent to owner
2. Contracts – Landscaping-irrigation controllers; website matters

Having no further business, the executive session adjourned at 4:30 p.m.

***The Board of Directors met in executive session on May 7, 2019 at 1:30 p.m. to discuss the following:

1. Contracts – Balcony rot repairs; carport repairs

Having no further business, the executive session adjourned at 2:30 p.m.