

WALNUT CREEK MUTUAL NO. SIXTY-EIGHT

REGULAR MEETING AND BUDGET REVIEW MINUTES OF THE BOARD
MONDAY, OCTOBER 22, 2018 AT 1:00PM
FIRESIDE ROOM – GATEWAY
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

Call to Order

President Walker called the meeting to order at 1:03 p.m.

Roll Call

Directors Present: Dwight Walker, President
Gail Todoroff, Vice President
Bill Dorband, Treasurer
Bob Grotz, Secretary
Lew Armistead, Director

The Mutual Operations Division was represented by Kelly Mattison, Board Services Coordinator; Rick West, Maintenance Manager; and Rebecca Pollon, Landscape Manager.

President Walker welcomed the membership, staff, and thanked everyone for their attendance.

Approval of Meeting Minutes

President Walker asked if there were any additions or corrections to the following minutes:

Regular Meeting of the Board September 24, 2018

The minutes to the aforementioned meetings were approved with a motion after one correction.

Moved, Seconded, Carried 5-0

Announcements

Next Board Meeting is: November 26, 2018 at 1:00PM in the Clubroom at Creekside.

Residents' Open Forum

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives.

3101/3103/3113 Grey Eagle Drive Project Update: Bill Dorband

Steve O'Connor was not able to be present for today's meeting. Bill Dorband reported on the status of the additional wall: permit should be issued next week, then the work will begin a day or two after that. The layout was requested for the Board to review and is due by Wednesday or Thursday of this week for landscape discussions. The wall will be 184 lineal feet.

Treasurer's and Finance Committee Reports: Bill Dorband and Traude Valachi, Finance Committee Chair

Bill Dorband gave the following treasurer's report:

Our current cash position is - operating Fund \$216,000, Replacement Reserve \$616,000 and Land Stabilization Fund \$3,242,000. Our Operating Fund year to date is currently under budget, with a favorable variance of \$31,000. We expect the expenditures in the Replacement reserve

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to exceed Budget by approximately \$43,000 by yearend, due primarily to additional cost of paint preparation and dry rot repair.

The majority of funds in the Land Stabilization Fund and the Replacement Reserve are invested in CDARS thru Mechanics Bank at a rate of 1.72509%.

We will be presenting the 2019 Mutual 68 budget later in this meeting, showing a recommended increase in our coupon from \$1,005 per month per residence to \$1,040 per month. This represents an increase of 3.5% over 2018. The budget will be submitted to the Board for approval.

We have accepted a bid from ESR for repair of the 3101 - 3103 Grey Eagle site wall of \$1,041,000 and will be submitting a claim to the insurance companies for that amount, plus the additional amounts paid to consultants and outside contractors.

Steve Hallert gave a report on behalf of Traude Vilachi who was not present today. Steve reported that the committee spent many hours developing the 2019 budget. The September financials were reviewed by the committee. Every overage was reviewed very carefully.

- **2019 Coupon and Budget Review:** Bill Dorband gave a presentation on the proposed 2019 Budget for M68. A motion was made to approve the 2019 Budget as presented, with a \$35 (3.5%) increase. The monthly coupon amount will change from \$1,005 to \$1,040 beginning January 1, 2019.
Moved, Seconded, Carried 5-0
- **Earthquake Insurance Presentation:** Dwight Walker did a power point presentation on earthquake insurance and took questions from the audience.

Building Committee Report: Rick West, Building Maintenance Manager; Mike Casey, Chair of the Building Committee (Bob Grotz, Board Liaison)

Rick West presented the following building maintenance report:

Action Items:

1. Estimate for hand railing and retaining wall repairs on Saklan Indian - Contractor: Fleece Construction - Estimate \$9,250.00 (presented to the board).

Information Items: Work Scheduled, In Progress or Completed

1. Gutter Cleaning - Contractor: Perfect Painting scheduled for 2 cleanings. Total Cost \$23,000.00 First Cleaning Scheduled late November.
2. 501/503 Falconwood Tree damage repairs to the building - Contractor: AMAC cost \$6,915.00. (scheduled) New window on order.
3. Phase III Painting - Contractor; Pacific Trim (Scheduled completion Oct 26th).
4. Phase II Roof Tune up for 29 Buildings - Timberline Roofing (Scheduled Completion Oct 26th).
5. 2986 SI Drywall Repair. Contractor: Five Star (Work Completed).
6. 2996 SI Front landing / Sheer wall and Termite Damage Repairs. - Contractor: AMAC Estimated Cost \$25,675.00. Separate Estimated cost for the landing Excel Coating:

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Perfect Painting \$3,040.00. Termite treatment cost \$495.00 (Work in Progress).

7. Painting of all 4 plex white stair safety strips and installation of new peel and stick non-skid strips on landings - Contractor: MOD (Scheduled).

- **Review of Alteration/Modification Requests:** The Board reviewed alteration application # 42571. A motion was made to approve the alteration application.
Moved, Seconded, Carried 5-0
- **Repair of Wrought Iron Along Saklan Indian:** The Board has received one bid from Fleece Construction and is waiting for 2 more bids.

Landscape Report/Landscape Committee Report: Rebecca Pollon, MOD, Barbara Blum, Committee Chair (Gail Todoroff, Board Liaison)

Barbara Blum gave the following Landscape Committee Report:

At the September Landscape Committee meeting, it was decided that the Committee should pursue the issue of reforestation Oaks blocking views and how to mitigate the problem. It was suggested that Cindy Silva, current Walnut Creek City Councilwoman, be contacted for her input.

On October 12th, Cindy Silva met with Rebecca Pollon, GRF Landscape Manager, and some members of the Landscape Committee. The committee members had screened their zones for offending Oaks and the data was presented to Ms. Silva.

Rebecca had suggested that if the City Arborist will agree to our removing the worst of the reforestation Oaks, we will consent to planting some number (perhaps 5 for each one removed) of trees on GRF land in an effort to reforest that property. That way the new trees will not be blocking residents' views.

The next step will be to identify the 10 worst cases of reforested Oaks blocking views and Rebecca will consult with the City Arborist to gain his approval for their removal with the agreement that we will replant with trees of a more appropriate nature.

The next meeting of the Landscape Committee will be Tuesday, October 23 at 1:00 at MOD Conference Room. Residents are always welcome.

Rebecca Pollon reported that the landscape maintenance contract is currently out to bid. The crew is currently over seeding which means the lawns must remain moist. The leaf blowing season is approaching. Landscapes will be blown once a week and the rest done on a monthly basis.

Social Committee Report: Wendy Dorband, Social Committee Chair

Bill Dorband reported on behalf of Wendy Dorband that invitations for the December 10th Holiday Party will be placed in newspaper slots around November 11th. Guests are welcome, and an article will be in the Eaglet.

Community Information/Welcome/Database Update: Tricia Spiegel, Facilitator

Lew Armistead gave the following report:

The CIC met in late September and has done additional work via email since that meeting.

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Among other actions, the Committee is recommending that the Board of Directors appoint Barbara Walker as its chairperson effective immediately.

Communications survey

We tabulated results of both the electronic and print versions of the communications survey. There were 113 responses to the electronic survey and 60 to the print. Results included—

- Among electronic responses, slightly more than 90 percent want to receive information electronically. Slightly more than 50 percent of those responding to the hard copy survey want information electronically.
- Among electronic responses, the top five ways residents most frequently receive information are (in order) *the Rossmoor News*, *the Eaglet*, flyers in their tubes, word of mouth, and attending Board/Town Hall meetings. Among hard copy responses, the top five ways people receive information are (in order) flyers in their tubes, *The Rossmoor News*, *the Eagle Ridge News (TERN)*, word of mouth, and *the Eaglet*.
- When asked how they would like to receive news about Mutual 68, the top six electronic responses were (in order) *the Eaglet*, e-Blasts, attending Board/Town Hall meetings, flyers in their tubes, *the Rossmoor News*, and *the Eagle Ridge News (TERN)*. The top six responses among hard copy responses were (in order) flyers in their tubes, *The Rossmoor News*, *the Eaglet*, *Eagle Ridge News (TERN)*, attending Board /Town Hall meetings, and e-Blasts.

Approximately 30 residents indicated they would like to assist with communications in Eagle Ridge. They have all received thank you notes with an indication that they will be contacted again when we have developed a communications program with specific volunteer opportunities. We also asked them what interests they have in communications.

The committee will now design a communications program based on results of the survey and best practices in communications. We anticipate we can share the revised program at the November or December Board meeting.

Survey on EQ insurance

The Board at its last meeting asked the CIC to study the possibility of a survey of residents as to their desire for the Mutual to purchase earthquake insurance. While the Finance Committee has studied this issue and held a town hall meeting to review its findings with residents, the CIC believes more residents need to hear basic information on such insurance along with pros and cons before a survey is implemented. This should lead to a more informed vote. Since the Board is not likely to act on earthquake insurance now, we have time to communicate more information and still conduct a survey before a decision is to be made.

Thus, the CIC recommends the Board determine when it is likely to vote on insurance. We propose that we work with the Finance Committee to develop a timeline of information

activities before that vote. Such activities could include two special editions of *the Eaglet* that focus solely on earthquake insurance; one or more presentations in a town hall setting, at a Board meeting, or in another setting where a large number of residents would be expected to attend; or through other means.

The CIC also believes the Board should discuss whether the outcome of the survey would be advisory or binding and communicate that to residents before the vote. This would assure that there are not misunderstandings.

Process for approval of communications

Believing that as communications is expanded, it is important that all information is accurate, appropriate and timely. To that end we should have a process for approving communications that is understood by all. A draft process is attached to this report for your discussion and possible approval.

Next steps

Upcoming work for the CIC includes additional review of what the survey tells us, design of a consistent communications program, appointment of a task force to work on the website, and recommendation of our charter for Board approval.

Committee members are Lew Armistead, board liaison; Casey Dixon; Vickie Hipkiss; Jo Jones; Diane Mader; Chris Slee; Tricia Spiegel; and Barbara Walker.

- **Appointment of Chair:** A motion was made to appoint Barbara Walker as the Community Information Committee Chairperson.
Moved, Seconded, Carried 4-0, 1 abstention from Dwight Walker
- **Communication Survey Results:** Results of the survey can be found in the report given by Lew Armistead.
- **EQ Insurance Survey:** A report on the proposed EQ insurance survey was provided in Lew Armistead's report.
- **Approval of Communications:** The following approval process for communication was proposed:

All communications from Mutual 68 should be accurate, appropriate and timely. To assure that, the following procedures will be in place—

- Any communication dealing with a specific topic will be reviewed by those involved with that topic, i.e. a story on a Board meeting will be reviewed by Board members, an article on an individual will be reviewed by that individual, an article on a committee event will be reviewed by the committee chair.
- The Board President will have final say in all reviews of articles dealing with the Board.

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- During review, if material is inaccurate or inappropriate, it will be cited and changed. This will also apply to any misspellings or grammatical inaccuracies. If an individual reviewing the item makes suggestions on better ways to write a section, that will be considered and may or may not be changed. (With multiple people reviewing a document, there could be numerous style suggestions. If all were used, the article could go back to reviewers several times, slowing the process considerably.)
- When items are sent for review, a deadline to receive comments will be included. If people do not respond by that deadline it will be assumed, they have no corrections or suggestions.

A motion was made to approve the approval process for communications.

Moved, Seconded, Carried 5-0

Emergency Preparedness Update: Bob Grotz, Board liaison

Ralph Anthenien gave the following report:

The following actions have occurred since the last Board meeting held in September 2018:

- a. Reviewed and worked on existing DP Committee Charter with Bob Grotz. Awaiting further Board guidance before proceeding on potential changes.
- b. Met with Bob Heyden to obtain and collect past documents and activities that are in need of updating to include assignments, rosters, equipment, binders, etc.
- c. Met with Lew Armistead (Communications Lead) to review communication needs and to determine the process of communicating with residents on DP activities, needs and education.
- d. Met with Jim Turnbull (Sharky) Ham Radio Communications Lead to get set up with Ham Radio, License and Instruction. Also set up with a future Ham Radio Conference being given in San Ramon later this Month.
- e. Attended the Disaster Preparedness Fair held on Sept 22 and collected information on various programs and organizations that will be helpful to the DP Committee and Residents.
- f. Attended the Health Fair held on Sep 29th. Collected information on information useful to the DP Committee and residents.
- g. Attended the monthly DPO meeting held on Oct 1st from 9:30am to 11:30am. Speaker was from USGS who discussed the various risks that Rossmoor will face in an earthquake. Very informative and also provided some dire issues we are going to face during such an event.
- h. Located and working on a Plan/Sketch to diagram all lock boxes and assembly points in the mutual.
- i. Second Committee Meeting held on Wednesday October 17th to continue the collection of data, missing resident' s information and needs, filling vacant positions within the committee and to plan for future activities.
- j. Reviewed possible sources of emergency supplies, food and water that residents may source for their emergency supplies.
- k. Joined the Mt. Diablo Amateur Radio Club (MDARC) to begin the process of improving the communications and connections to the outside world with the mutual during a disaster.

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Ongoing Activities this month:

- a. Continued to purge and update rosters, continuity binders, and collect information on available equipment being maintained to include radios, horns, tape, flashlights, gas shut off wrenches, whistles, first aid kits, etc.

Planned and conducted a Committee Meeting on September 17th

- a. Continues to update key contact rosters of zone coordinators, radio operators, etc. Also confirmed many assignments and filled a couple of key zone vacancies. Still in need of additional volunteers.
- b. Updated many DP Resident information sheets and more in need of updating. Committee Members are in the process of having these completed.
- c. Started the process of updating the inventory of items maintained and ascertaining further supply needs
- d. Highlighted vacancies in key positions and potential candidates to fill them
- e. Discussion of ways to incent residents for enhanced sustainment during shelter in place or evacuation scenarios. This includes food, water, first aid supplies, and equipment.

Future Activities to include:

- a. Continue activities begun above
- b. Attend the Oct 2018 Pacificon Ham Radio Conference being held in San Ramon.
- c. Assist in the review and revision of the DP Charter as appropriate.
- d. Develop a training plan for the next 12 months to include a communications plan
- e. Coordinate activities, needs and plans with other groups within Rossmoor as appropriate.

President's Report: Dwight Walker, President

President walker reported that the following topics were discussed at the most recent President's Forum: Insurance costs in 2019 will go up 40% and earth movement coverage may terminate at the end of 2018. Further information should be available next month on what could be an uninsurable risk; Rossmoor being the only community not composting. There will be informational meetings on composting in March and April 2019 where containers will be handed out to residents.

President Walker also reported on Bill Dorband's resignation and the Board presented Bill with a gift:

Bill Dorband Thank You!

- Bill is leaving the board today after 3 years of amazing contributions to our community. He has agreed to continue as the board's point person on the 3101/3103 Project which he, along with all of us, hope is winding down in the very near future.
- I wanted to share some comments from other Mutual 68 leaders as Bill moves up the Rossmoor ladder as Chair of the GRF Finance Committee.
- Bill has been the consummate Director from his first meeting in 2015.
- Bill has been an extraordinary colleague to work with. He was respectful of all Board members and often the one who pursued compromise among differing opinions. He

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was responsible for establishing the Finance Committee and setting the stage for financial planning that was open and continues to yield great benefits to the Mutual today.

- Oh my gosh, without Bill Dorband's expertise and total devotion to the 3101/3103 Grey Eagle situation we might still be "sliding down the hill"! His loyalty to the project and donation of a tremendous amount of time and energy has been a job done over and above expectations! Bill has my gratitude and I am sure that of all of Eagle Ridge!
- Bill's extraordinary concern for the impact of the \$17,000 special assessment on our members is emblematic of the care with which he approached his Board responsibilities. He spent countless hours working with several financial institutions to cushion the impact of the special assessment on homeowners.
- Bill epitomizes "civic responsibility", and I was fortunate to be able to work with him.

Bill, you will be missed on the Board. But your legacy of devotion to Mutual 68 and Eagle Ridge will remain unmatched for years to come. Thank you for all that you have done for all of us! Here is a gift from all of Eagle Ridge in appreciation for all your hard work!

A motion was made to appoint Steve Hallert to the Treasurer position.

Moved, Seconded, Carried 5-0

Adjournment

President Walker adjourned the meeting at 2:59 p.m. and the Board moved into executive session to discuss a personnel matter.

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.



Assistant Secretary