

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, JANUARY 15, 2015 AT 2:00 P.M. BOARD ROOM – GATEWAY COMPLEX

President Eldon Rowe opened the meeting at 2:00 p.m. Directors Alan Matthews, Cruson and Ellen Dietschy were also present. Four resident members were also present.

Staff was represented by Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Steve Ormond, Landscape Supervisor, and Anne Paone, Assistant Secretary.

Excused: None

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular session Board meeting of December 18, 2014. Hearing none, he declared them approved as written and reviewed.

RESIGNATION

Mr. Rowe reported that Mr. Cunningham has tendered his resignation. Mr. Rowe thanked him again for his service to the community.

MEMBERS' FORUM

None

SECRETARY'S REPORT

No report

TREASURER'S REPORT

Mr. Cruson reported that the as of December the operating expenses were \$598,221. This was \$32,000 over budget. This was due to carpentry, Mutual shared deductibles, rain leaks, deck costing, gutter repairs and water usage. The operating fund balance was \$100,890. The reserve expenses were \$540,737. The reserve fund balance was \$1,399,814. The total funds were \$1,500,704. Everything is as we expect it to be.

The insurance premium will be about 24% less than last year.

Mr. Cruson motioned to have the operating fund borrow \$60,000 from the reserve fund for insurance and to have the debt paid back by the end of 2015. Mr. Matthews seconded and the motion carried without dissent.

Mr. Cruson reported that the reserves were over budget due to carpentry, roofing, plumbing, elevators and landscape rehab work.

The Board had a question about the amounts for custodial services. The amount was unclear because they thought they had a contractual amount. Mr. Donner indicated that it could be that an invoice came in and skewed the figures. He will do a follow-up on that number.

The billing detail report listed rain leaks on buildings that have new roofs. Mr. West stated that it could be late billings for work done prior to the new roofing. He has not heard of any issues with the new roofs.

PRESIDENTS' FORUM

Mr. Rowe reported that there was discussion on reverse mortgages with the co-ops having questions. Golf cart registration is an ongoing conversation. Wiring for electric carts and vehicles was discussed. EBMUD gets water from the Sacramento River. Mr. Donner reported that EBMUD will not purchase water now and will re-evaluate in April. Mr. Rowe did not receive any information on TARR because he was in another meeting when that was discussed. There was some discussion on whether Mutuals should do annual termite inspections. Most Mutuals will do this on a resale basis due to the cost.

LANDSCAPE REPORT

Mr. Ormond reported that tree maintenance is finished. The tree in entry 5 near 3443 Terra Granada was slated to be removed, but a permit was not issued. The tree is not a hazard. The in-house crew has finished their work. The landscape committee stated they were pleased with the work. There have been many good comments from the residents. The committee would like to continue freeing up areas in front of buildings and putting in lodi stone, bark and cobbling. They would like to see this done this year.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

Work in Progress:

1. 3644 1B – Roof leak warranty issue. Broken weld at vent seam. Dura - Last to complete warranty repair.
2. 3288 TG /3874 TG - Installation of Sump Pumps in elevator pits. Stoddard Plumbing is putting together new proposed plan for sewer connection for CCCSD approval.
3. 3773 TG. Beam & Deck repair – AMAC has completed the beam replacement above the slider and installed the new slider and window. Stucco work scheduled for week of 1/12/15. Perfect Paint has completed the fire coat system on the balcony.

Mr. Matthews motioned to split the cost for repair of the hardwood floor due to water damage from the rain at 3773 1A Terra Granada with a NTE of \$1,000. Ms. Dietschy seconded and the motion carried without dissent.

4. Hose Bibs - Davis Plumbing to replace all non - balcony hose bibs as directed by board. Work started 11/17/14.

5. Balcony Scuppers - MOD inspecting all balcony scuppers as directed by board. – In progress.
6. 3230 TG 1B – Deck dry rot – replace ply, 2 joists. AMAC scheduled to begin work. New scupper to be installed by Perfect Paint and new fire system coating scheduled.
7. 3773 TG – foundation concrete – Five Star scheduling work. (space where rodents gain access)
8. 3838 TG 1B – Trellis replacement bids (Presented to board) The trellis is falling down and is part of the original building.

Mr. Matthews motioned to approve the proposal from Toupin to replace the trellis at 3838 Terra Granada 1B in the amount of \$3,725. Ms. Dietschy seconded and the motion carried without dissent.

Follow Up:

1. 3711 4C Rear Balcony Beam and Arbor dry rot repair – Toupin completed on 1/2/15.
2. Smoke Detectors – All Clear no contact Roster (presented to board)
3. 3535 TG 1C - Recoat deck due to bubbling and seam splits – Perfect paint Fire coat system completed.

Proposed 2015 Project List:

- 1) PHASE 3 ROOF B/U PROJECT – 12 BLDGS – EST. COST \$310,000
- 2) NEW DOWNSPOUT DEVERSION PROJECT - EST. COST \$20,000
- 3) BALCONY DECK HOLE REPAIR - EST. COST \$5000
- 4) PAINT ALL IRON RAILINGS AS NEEDED –EST. COST \$27,650
- 5) TERMITE CONTROL – EST. COST \$10,000
- 6) PLUMBING OVERFLOW DEVERTERS (POP UPS) EST. COST \$9,000
- 7) NEW CARPORT JELLY JAR LIGHT FIXTURES – EST COST \$8,587

The Board discussed checking units in the same building as a unit that is positive for termites. The Board decided they will address this on a case-by-case basis, but they think it is a good idea.

Mr. Rowe would like the Board to discuss dry rot on added trellises. This should be added to the list for inspection at resale. They are considering whether MOD should do this or an outside vendor.

The Board discussed how and when they could contact owners of unoccupied units. They are considering having owners contacted when the annual inspection is done.

EMERGENCY PREPAREDNESS COMMITTEE

No report.

ALTERATIONS

Mr. Matthews reported that 23 alterations were processed, 18 have been issued permits, and 14 have been completed.

GOVERNING DOCUMENTS

Mr. Cruson reported some residents were not following the operating rules for parking in the garage. He would like letters to be sent, including a hearing letter for 1B.

He also discussed the problem with damage to a garage door on Avenida Sevilla. This is a homeowner's responsibility and Mr. West will look into it.

HELSING REPORT

Mr. Rowe reported that the full reserve study is done every three years. There are 2 updates and one full study.

Mr. Cruson motioned to continue using Helsing Group for the reserve study at a cost of \$2,475. Mr. Matthews seconded and the motion carried without dissent.

OLD BUSINESS

Mr. Rowe reported that GRF is waiting to hear from the committee. The Board will address this at next month's meeting.

Mr. Rowe called for a motion to appoint Jill Alley to the Board.

Ms. Dietschy motioned to appoint Jill Alley to the Board to fill the vacancy left by Russ Cunningham. Mr. Matthews seconded and the motion passed without dissent.

The Board discussed Ms. Dietschy's letter to be sent to the residents about keeping their carports clean and following the rules. Mr. Cruson would like the words "neatly stacked" added to the sentence that mentions firewood.

Mr. Cruson motioned to send the letter to the residents with the added changes. Ms. Dietschy seconded and the motion carried without dissent.

NEW BUSINESS

None

ANNOUNCEMENT

The next regular board meeting: Thursday, February 19, 2015 at 2:00 p.m. in the Board Room in Gateway.

ADJOURMENT

Having no further business, the meeting adjourned at 3:30 p.m.

/s/

Ellen Dietschy, Secretary
Walnut Creek Mutual Seventy