

MINUTES

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

President Eldon Rowe opened the meeting at 2:00 p.m. Directors Dale Smith, Jerry Cruson, Jill Alley and Ellen Dietschy were also present. Six resident members were also present.

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

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular session Board meeting of September 17, 2015. Hearing none, he declared them approved as written and reviewed.

MEMBERS' FORUM

Sally Kirby – Ms. Kirby wanted to discuss the proposed alteration for 2 decks. There are slits in the membrane. She is concerned about El Nino. Perfect Painting and AMAC looked at this. Perfect Painting brought in Keith from MOD. Mr. West received Keith's report this morning and there is no water intrusion into the actual deck. As of today there is no damage to the wood underneath. He does think the deck should be recoated. Mr. Rowe advised that this needs to go to the Building Committee for their recommendation.

Jackie Smith – Two trees in the parking area for guests are pushing up the blacktop. People can't park their cars there. This is also a walking problem. Mr. Rowe reported that the Board and Steve Ormond reviewed the area. He has a proposal and will address this later in the agenda.

Umberto Bellini – Mr. Bellini has a parking issue. A parking space is occupied with a caretaker. Mr. Rowe met with the owner and the caretaker. The caretaker said she would park in a different space. Mr. Rowe reported that since Mr. Bellini has a garage, there isn't much the Board can do. Mr. Bellini isn't parking in it because of his recent stroke. The caretaker would be willing to park in Mr. Bellini's garage, but he said no. Mr. Rowe will talk to her again.

Ann Courtright – Ms. Courtright said she has a maintenance issue. She is following up on a report that her deck needs to be resurfaced. Keith said it would be placed on the agenda right away. She doesn't see it on the agenda. What is the status?
Mr. West said it will be addressed doing his report.

SECRETARY'S REPORT

No report

TREASURER'S REPORT

Mr. Cruson reported that as of September 30th, the operating expenses YTD were \$434,375. Revenue exceeded expense by \$9,538. The operating fund ending balance was \$108,497.

This was \$631 per manor. The reserve expenses for September were \$543,346. The Mutual is over budget by \$201,858. The revenue over expenditures was \$169,515. The reserve funding balance was \$1,053,604. This was expected because of overages in carpentry, decks, and drainage maintenance. This represents \$6,126 per manor. The total fund balances was \$1,162,101. As of December 31, 2014, the Mutual has \$164,062 less funds. This was due to roofing.

There was some discussion about the Helsing report. Mr. Cruson believes it is unclear as to what Helsing is actually recommending for the reserves contribution. He would like this addressed before the Board decides to adopt the 2016 budget.

Ms. Cooper reported that in the draft booklet the numbers are related to work sheets from the summer. \$304.24 is full funding per unit and \$273.32 is threshold. The report does not indicate that special assessments are needed. The report includes the elevators and the components have been updated.

Mr. Rowe commented that Mutual 70 will do whatever it takes to avoid special assessments. That was decided when Mutual 70 was formed.

Ms. Dietschy moved to set the coupon at a \$25 increase for the reserves. The motion failed for lack-of-a-second.

Due to the issues with the Helsing report, the Board decided to schedule a special meeting after they receive the corrected report to adopt the 2016 budget.

Mr. Cruson moved to have a special meeting no later than October 29 to vote on the budget. Ms. Alley seconded and the motion carried without dissent.

Mr. Rowe, Mr. Cruson and Mr. Smith will meet with Mr. Donner, Mr. West and Ms. Cooper. Mr. Cruson and Mr. Smith will be the committee to review the information.

PRESIDENTS' FORUM

Mr. Rowe reported that the meeting was held on September 21. Comcast will ask the Mutuls for reconsideration of the Comcast bulk services. PODS were discussed. The GRF policy does not allow them on GRF streets. Each Mutual may decide if they want to allow PODS. There was discussion about having registration for Del Valle guests with limited guest passes and a charge for additional guests. The new CEO will start on November 16th. Some Mutuls have achieved up to a 47% reduction in water usage. This is mostly due to lawn removals. Mutual 70 has cut back by 38%. GRF is also changing landscaping to cut back on water.

LANDSCAPE REPORT

Mr. Ormond discussed the proposal from Waraners for the annual tree trimming. It doesn't include tree removals for entry 5 because Waraners thought this was to be done next year. The cost for trimming, removals and cutting back from roofs will be \$16,900. Mr. Rowe said the committee will look at the proposal. Mr. Ormond will get another proposal for entry 5.

MUTUAL OPERATIONS REPORT

Mr. West reported that the carports will be inspected and the scope-of-work will be prepared to go out for bid.

Mr. West presented his report as follows:

Work in Progress:

1. Mailbox Replacement estimate. (proposals presented to the Board).
 - Five Star's proposal was for \$3,750.00. Mr. West to hold proposal. He will get the correct number of mailboxes.
2. 3874 TG Building – Beam Dry rot. Received structural engineers report. (proposals presented to the Board).

Ms. Alley moved to approve AMAC proposal in the amount of \$24,600. Mr. Smith seconded and the motion carried without dissent.
3. Entry Five guest parking. (proposal presented to the Board).
 - This area will be reconfigured-removing tree roots under asphalt and adding 3 feet by taking out the curb. Another parking space will be added.

Ms. Alley moved to approve the proposal from Five Star in the amount of \$21,000. Ms. Dietschy seconded and the motion carried without dissent.
4. 1281 AS - Foundation Repair (proposal presented to the Board)
 - Mr. West just received this proposal this morning and believes it is a bit high. This is not an emergency. It is patch work and cosmetic work. This will be tabled while Mr. West requests a lower bid.
5. New Carport LED Light Fixtures – Sang Electric proposal for 61 fixtures \$7,628.50 / Budget \$8,587.00.
(board to vote).

Mr. Smith moved to approve the proposal from Sang Electric in the amount of \$7,628.50 for 61 light fixtures. Ms. Alley seconded and the motion carried without dissent.
6. 3773 TG Carport rehab – Dry rot repair around window AR Construction (work in progress).
7. 3206 TG 1A – Repair dry rot around new window installation (proposals presented to the Board)
 - This was pre-approved by Ms. Alley. Work order to be sent to Board office for Mr. Rowe's signature.
8. 3852 TG 1A/1B -Deck dry rot repairs. AMAC (In Progress) Deck coating Perfect Paint (work in progress). Estimated completed date 10/30/15.

3747 T.G. 2A – not an emergency. Retaining wall needs repair and Mr. West wants to use stone block instead of wood. The wall is around an air conditioning unit. Mr. Rowe would like the building committee to review.

3401 T.G. 2A – stucco patch. AR Construction proposal for \$1,500. Deck also needs to be coated. Mr. West will send a proposal to Mr. Rowe.

Follow Up:

1. Railing paint – work to be completed by Five Star by Friday 10/16/15. (punch list to follow)
2. 3874 TG 1C – Deck Coating by Perfect Painting (Completed) Stucco work for AR Construction (completed) Only stucco paint after cure remaining.
3. Balcony and Scupper inspections ongoing -(additional balcony work expected during winter).
4. 3425 TG – Republic to deliver new smaller trash bin or containers.
5. 1281 AS 1B – AR Const. Back deck stucco work. (work Completed). MOD to paint
6. 3852 TG 2A/2B –Deck dry rot repairs AMAC (work completed) Deck coating Perfect Paint (work completed). Only stucco paint after cure remaining.
7. 3852 TG 1A – Termite Damage repair AR Constr. (work Completed). MOD to paint
8. Waiting On lift to barrow lift to complete painting on tower gutters.
9. 3443 TG Underground drain connection (work Completed). Cost \$3,000. – No Board objections.

EMERGENCY PREPAREDNESS COMMITTEE

Ms. Dietschy reported that they are always open for people interested in Map Your Neighborhood. Mr. Rowe mentioned there will be a seminar by Third Walnut Creek Mutual on November 9, 2015.

ALTERATIONS

Ms. Alley reported that from April through October, 21 applications were processed, 12 permits were issued, 9 open permits and 24 completed.

GOVERNING DOCUMENTS

The hard surface flooring policy, section 1.12 was briefly discussed.

Ms. Dietschy moved to adopt the changes to the policy as written. Mr. Smith seconded and the motion carried 4-0. Mr. Cruson had previously stepped out of the room.

Mr. Rowe asked about the status of the solar panels balloting material. Mr. Cruson reported that the attorney, Zer Iyer is preparing a cover letter, an amendment to the CC&Rs and the

ballot. The Mutual needs to indicate whether the Mutual will charge an owner to change common area to exclusive-use. The Mutual does not have to charge the owner. This would be a policy issue. It could be included on the application. After discussion, a motion was made.

Mr. Cruson moved that there be no fee for solar installation beyond the application fee for conversion of common area to exclusive-use area for the roof. Ms. Alley seconded and the motion carried without dissent.

Mr. Cruson stated that he thinks there should be a letter with an explanation of what the membership is being asked to vote on. Mr. Rowe believes that the Mutual would need to include the letter from the attorney, too. There could then be a letter explaining what the attorney has said, but it would be in layman terms.

OLD BUSINESS

Mr. Cruson asked that the Board be provided with a better description of the kinds of containers to use to hold emergency preparedness materials in the carport. Ms. Dietschy said she is looking around. Mr. Cruson thinks it should be a neutral color, perhaps molded plastic. Mr. Rowe asked about how flammable the container would be. Mr. West reported that the Mutual has an annual inspection from the Fire Department. If they see anything that could be a potential problem, they send a notice to the owner. Ms. Dietschy had some photos of containers for the Board to review.

NEW BUSINESS

Mr. Smith inquired about when minutes are placed on the website. Mr. Rowe explained that once they are approved, they get posted.

ANNOUNCEMENT

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

ADJOURNMENT

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

/s/

Ellen Dietschy, Secretary
Walnut Creek Mutual Seventy