

MINUTES

WALNUT CREEK MUTUAL SEVENTY REGULAR MEETING OF THE BOARD OF DIRECTORS THURSDAY, AUGUST 20, 2015 AT 2:00 P.M. BOARD ROOM – GATEWAY COMPLEX

President Eldon Rowe opened the meeting at 2:00 p.m. Directors Alan Matthews, Jerry Cruson, Jill Alley and Ellen Dietschy were also present. Thirteen 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.

APPROVAL OF THE MINUTES

Mr. Rowe asked for any additions or corrections to the minutes of the regular session Board meeting of June 18, 2015. Hearing none, he declared them approved as written and reviewed.

Mr. Rowe asked for any additions or corrections to the minutes of the regular session Board meeting of July 16, 2015. Hearing none, he declared them approved as written and reviewed.

MEMBERS' FORUM

Vicky Richardson, Terra Granada, Entry 4, reported that a committee of 9 people was formed to review the changes to the hard surface flooring policy that the Board is presenting. She requested that the Board allow the committee to be sanctioned by the Board and would like some time to review and get information to the membership.

Pat Hart, Avenida Sevilla, Entry 2, reported that she has been in touch with a well-known interior architect. The architect says that the change in the flooring standard would be fine. There is no reason to think this would be a problem.

She also mentioned a landscaping issue. Mr. Donner advised her that she can call the work order desk or send an email. She also asked about a tree and its health. Mr. Rowe reported that they will have an arborist look at the tree.

Mr. Rowe reported that the Board committee had spent 4 months studying the issue of the hard surface flooring.

SECRETARY'S REPORT

No report

TREASURER'S REPORT

Mr. Cruson reported that as of July 31st, the operating expenses YTD were \$329,741. This was \$13,991 under budget. Revenue exceeded expense by \$15,441. The operating fund ending balance was \$114,401. This was \$665 per manor. The finance committee had a question about account numbers that don't match the account numbers on the billing statements for the meters. Mr. Donner reported that he doesn't see the water bills. This should be checked by Tess Haskett. The reserve fund for July has \$386,493. The Mutual is over budget by \$120,907,

due to roofing. The revenue over expenditures was \$95,756. The reserve funding balance was \$1,127,363. This represents \$6,554 per manor. The total fund balances was \$1,241,764. Compared to the beginning of the year, the Mutual has \$84,399 less funds. This was expected because of the roofing expense.

Mr. Rowe reported that as of July 18, the Mutual has saved 38.5% in water usage compared to 2013.

The Mutual is working on upgrading the elevators. The cost of the elevators is \$100,000 more than the reserve study indicated. This is being addressed. The reserve study figures will have to be adjusted.

The Board will schedule a meeting with Jo Ann Cooper to review the draft budget.

PRESIDENTS' FORUM

Mr. Rowe reported that the forum on July 23 discussed that the insurance policies were budgeted last year with an increase, but they came in under that amount. They will budget a 5% increase for 2016.

The forum discussed registering golf carts. This is not really an issue for Mutual Seventy. GRF will take care of registering golf carts if a Mutual thinks it is necessary. There will be a \$10 fee for registration.

There was a discussion regarding the hiring of the CEO. The Presidents wanted to be sure that the CEO will understand that the CEO will address some of the Mutuals' issues in addition to GRF issues.

LANDSCAPE REPORT

Mr. Rowe reported that there are some trees that are really stressed. Mr. Ormond recommended that for 3 days at the end of the month, the Mutual do some deep watering. It will be done during the day. Call MOD if you see anything unusual. Mr. Ormond reported that the tree walk will be done in the last week of September or the first week of October. It will be done in 2 days instead of one day. Beetles are attacking the weak trees. Entry 8 (Mary's Hill) is done. New gorilla hair has been added. There has been some nice feedback on this area. Valley Crest has completed the areas by the elevators. Fresh bark and cobble has been installed. The bark helps to hold the moisture in the soil.

Mr. Rowe discussed the parking space in entry 5 and the need to get a proposal to remove the Monterey Pine and turn the area into an additional parking space. Mr. West said they can go up there and walk it.

MUTUAL OPERATIONS REPORT

Mr. West presented his report as follows:

Work in Progress:

1. 2015 Roofing project Contractor: All Seasons Roofing, started Thursday May 28th. Estimated completion date 8/14/15. Will be back to paint some roof caps. They came from the factory as a different color. The downspouts are almost done.
2. 3852 TG 2B –Deck dry rot repairs estimates; AMAC \$13,073 Deck coating Perfect Paint \$2,475. (work in progress).

3. 3852 TG 1A – Termite Damage repair A&R Constr. Approved for \$2,580. (work in progress).
4. Railing / mailbox Painting – (Color Pallet and Bids presented to Board).

Mr. Matthews motioned to approve the proposal from Five Star in the amount of \$10,375 to do the railings. Ms. Alley seconded and the motion carried without dissent.

5. 3874 TG 1C – Deck Coating by Perfect Painting scheduled estimate \$2,850 approved. Stucco work for A&R Constr. Estimate \$1,811 (Presented to board).
6. 3874 TG Building – Beam Dry rot (out to bid). This is on the building, not on a unit.
7. 3443 TG 2A – Pressure washing and trash enclosure work. Five Star to bid on stucco and gate post.

Follow Up:

1. 3288 TG /3874 TG Elevator Landscaping complete.
2. Balcony and Scupper inspections - 13 Balconies left for re- inspections.
3. 3443 TG 1A - Dry rot plywood on deck, rebuild Trellis and deck coating completed by AMAC and Perfect Paint. AMAC follow up with paint after stucco is cured.
4. 3874 TG Trash enclosure Stucco repair completed by Five Star. MOD to paint gate.
5. Carport stucco damage 3838 TG #214. Five Star completed. To paint after stucco cures (To be billed to owner.)
6. 3852 TG 1A – Under floor ductwork damage. (Work completed by Five Star)

EMERGENCY PREPAREDNESS COMMITTEE

Ms. Dietschy reported that they had been talking about having containers to hold emergency supplies. She only knows of FWCM having a policy that includes emergency containers. She asked the Board to think about the following: This should be added to the existing carport policy. It would require the owner to notify the Board of the intent to buy an approved container/s specifically for emergency supplies. Each owner must get the Board's approval to place the containers in the carports and the approval regarding the type of container to be used.

Mr. Rowe suggested that residents keep emergency supplies in their own garages, too. He would like the Documents Committee to address this issue.

ALTERATIONS

Mr. Matthews reported that 23 applications were processed, 14 have been issued permits and 23 alterations have been completed from February to August.

GOVERNING DOCUMENTS

Mr. Cruson reported that the current rule for hard surface flooring specified the standard for carpet with padding as IIC 50. The Board wants to reduce the current rating listed in the rules from 78 to 74. The current revision just lowers the rating.

Mr. Rowe reported that the original policy was sent out for comment and no comments were received. It has been brought to the attention of the Board that manufacturers can't meet the rating of 78. IIC 74 is the maximum rating that can be guaranteed.

Mr. Rowe reported that resident, Vicky Richardson, form the committee and have 2 members meet with the Documents Committee. Information can then be brought back to the Board for their meeting in October.

Mr. Cruson reported that the committee drafted some documents regarding the issue of solar panels. The conclusion was reached that before the Board goes any further and determines details for the policy, it should be determined if two thirds of the members are interested in allowing solar in the Mutual. If not in favor, the Board would drop the issue. The draft should be reviewed by an attorney with a cover letter and ballot. There is also a question of whether the CC&Rs would need to be amended regarding exclusive use.

Mr. Donner suggested that it is most practical to do a one-time vote, but the Mutual may take a case by case approach. The owner would pay the cost of the voting.

The Board agreed that this should be pursued by sending out a ballot to the Mutual to see the level of interest.

Mr. Rowe thanked the Documents Committee for their work.

HELSING REPORT

None.

OLD BUSINESS

None.

NEW BUSINESS

Mr. Matthews will resign from the Board because he and his wife are moving to Sacramento to assisted living. He will resign on September 17 at the conclusion of the Board meeting. Mr. Rowe thanked Mr. Matthews for his service.

ANNOUNCEMENT

The next regular board meeting: Thursday, September 17, 2015 at 2:00 p.m. in the Board Room in Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:25 p.m.

/s/

Ellen Dietschy, Secretary
Walnut Creek Mutual Seventy