

Mutual 8 Interim Board Meeting
March 16, 2016 3:30 PM
Mutual Conference Room, Gateway
Taped and transcribed by Cindy Ware

Members present: Cindy Ware, Bob Eisner, Bob Viator

Residents present: Bill Northlich (Fin Com), Pat Haug, Grete Trulock

1. EBMUD rebate: Report receipt of EBMUD rebate of \$4569 for lawn conversion and installation of drip irrigation in 2015. MOD may or may not be able to credit this amount to the landscaping line item in last year's financial report. If not it will be credited to landscaping this year.

2. Winter water bills: EBMUD bill for service for February '16 was \$2129. January '16 was \$2174. December '15 was \$2099. Since the irrigation continues to be turned off, these bills include only residents' personal consumption. The good news is that we used an average of 6,600 gal/day during these three months, compared to an average of 10,400 gal/day in December a year ago. Unfortunately, with the rate increases, the bills don't go down a comparable amount. We cut our usage by about one-third but our bill in December '15 was only \$300 less than our bill in December '14.

Given the seasonal rain, residents may want to relax their careful ways. However, we need to reinforce the reality that water will continue to increase in price, so we need to continue our efforts to conserve in order to minimize increases in the bill. These efforts, in turn, will help control increases in the water bill portion of the coupon. The same amount of water that cost us \$100 in June '13 cost us \$169 this past fall. And EBMUD has scheduled more price increases.

Bill Northlich recommended a graph to help convey this information more clearly. We'll ask Jim Ware to update his graphic from several years ago in time for the May Annual meeting.

3. Proposal from Waraner Tree Service for annual tree trimming: The bill is for \$6300, which is over the \$5000 limit that Cindy as president can approve in an emergency situation before reporting to the board. Our trees are healthier if they are trimmed regularly. This is a budgeted item as an investment that reduces expenses in the future.

Motion: Bob Viator moved that Mutual 8 spend \$6300 for Waraner to trim the trees.

Seconded: Bob Eisner

Motion passed. Rich Perona will be notified to schedule Waraner tree trimming.

4. Enormous Monterey pine between 1224 and 1256: This tree looks healthy at first glance but the ground around the trunk is covered with evidence of bark beetles. We must be prepared in case the tree does die this year. Removal will be in a minimum of \$5000. Similarly, the two large Monterey pines along Skycrest by Entry 4 died last summer within a matter of months from bark beetle infestation along with stress from the drought. Pat Haug added that the remaining large Monterey pine on Skycrest by Entry 4 is covered with pine cones, which can be a sign of stress.

5. Proposal to replace 3 hot water tanks dated 1977: Sang has found 4 1977 hot water heaters. One was replaced already at 1100 #2 for a high cost of ~ \$2500 in an emergency circumstance. Mutual 8 will also need to cover the cost to replace flooring that was damaged. To avoid these higher than usual expenses, Cindy recommended preventive maintenance of replacing the 3 remaining 1977 hot water heaters.

Motion: Bob Eisner moved to accept the proposal from Joe Davis Plumbing to replace all three 1977 hot water heaters for \$4658.50, at a time recommended by the FinCom.

Seconded: Bob Viator

Motion passed. The FinCom will be asked to advise on the timing of the replacements.

6. Building maintenance projects: Roofs are again our most expensive project: 1100, 1108, 1154 and 1256. Bob Viator noted that last year we deferred replacement of the roof on 1100 to this coming year. This winter three of the four units have experienced leaks. The deferment cost us money.

MOD estimated total cost: \$99,755 for roofs and gutters. We budgeted \$117,500 for four roofs and gutters/downspouts. Estimates received in response to the same proposal included \$88,916 from Sorenson, \$108,245 from All Season and \$135,955 from Ben's Roofing. Sorenson Roofing is recommended as a certified installer by Duralast, the roofing membrane we will be using. Sorenson has worked in the valley for three years and is continuing to be employed by other satisfied mutuals. Cindy recommends lowest bid.

Motion: Bob Eisner moves Mutual 8 accept the bid by Sorenson for \$88,916 for four roofs.

Seconded: Bob Viator

Motion approved. Rick West will be notified to have Sorenson schedule the four roofs for replacement.

7. We pre-pay for 12 days landscaping work by MOD employees in the spring and another 10 or 12 days in the fall. We pay for the landscaping materials used. We need to make the best use of these employees to minimize the special project work contracted out to Terra Landscaping. Current plans include a re-do of the landscaping along the front of 1256. The plans are not yet finalized as we are waiting to work with Rich Perona's replacement, who starts in April and may have new suggestions for different low-water shrubs.

Cindy also noted a new 15-foot red oak will be planted along Skycrest behind 1200 and also a new ornamental tree along Entry 4. We also wish to replant the now-empty triangle at the left of Entry 4 and replace the lawn behind 1200 with mulch and shrubs. Both areas involve putting in drip irrigation.

In addition, residents in attendance noted several problems with storm drains and related work.

The Mutual 8 Interim Board meeting of March 16, 2016 recessed at 4:15 p.m. and an Executive Session immediately followed.

Respectfully submitted,



Cindy Ware, President, Mutual 8