

RESIDENTS' FORUM

Linda and Carl Brown, Skycrest - Entry 16, The Browns had a concern about the path behind their manor. People walk through the ivy and have created a path. They walk by the Brown's windows. This is infringing on their privacy. Mr. Perona reported that there is a proposal for re-landscaping the rear area so that people cannot walk by their window. The Browns don't object to a path, just not one so close to their windows.

Nancy Partovi, Skycrest – Entry 1, Ms. Partovi wanted to thank the Board for addressing her issues raised at the previous meeting. She wanted to know if the report regarding the investigation of the work done at entry 7 has been prepared. Mr. Cardinal responded that it is partially done and they will have to address it once the report is completed.

Farhad Partovi, Skycrest – Entry 1, Mr. Partovi had a comment regarding the financial statements. He doesn't believe the items are broken down so that they can understand it. He would like details. Mr. Cardinal explained that the Board works with Mutual Operations and together they review income and expenses. They then give landscaping the items that they want done. Mr. Partovi wants to see each individual item and the break-out of the total amounts. Mr. Cardinal said the Board will look into it.

Ken and Elenna Ferrell, Skycrest – Entry 2, They had a question about reimbursement. Mr. Cardinal advised them that this should be addressed in an executive session.

Sheila Gorsuch, Skycrest – Entry 7, Ms. Gorsuch wanted to know the status of the rehab landscaping in the back of 2100 Skycrest. Mr. Perona advised that the Board has the proposals to approve. She also wanted to know who is up for election this year. Mr. Cardinal advised her there are two positions open, one of which is his. To date, there have been no other residents announcing their candidacy.

Milt Frankel, Skycrest – Entry 10, Mr. Frankel reported that last October he sent an email to the work order desk regarding a broken drain cover. It still has not been replaced. Mr. West will take care of it.

BUILDING MAINTENANCE REPORT – Rick West

Mr. West reported that there are some completed projects. The roofing projects at 2589 Pine Knoll and 1217 Skycrest. One new mutual-owned skylight has to be replaced at 2589 Pine Knoll in the amount of \$270.00. The additional cost for an underground downspout drain at 2589 Pine Knoll is estimated to be \$635 from Tree Sculpture, which is under the landscaping budget.

Mr. West explained that the Duralast representative came out just prior to the start of the job and demanded that additional downspouts be added in order to have the Duralast warranty validated.

Ms. Kelzer motioned to approve Tree Sculpture's proposal in the amount of \$423.00 to tie the downspouts into the drainage system at 2589 Pine Knoll Drive. Ms. Schreiber seconded and the motion carried without dissent.

The inspection was done at 2109, entry 17. Two new, larger 3" diameter round downspouts have been installed at the south and west side of unit #2. New corrugated downspout connections have been ordered for the west side of the building and will connect to the existing underground drain. This will be installed next week. Unit #8 on the east side of the building has been re-graded with the proper swale away from the building.

Preliminary estimates for new reflective entry signs are \$400 each, at 15 entries, for a total of \$6,000.

Ms. Schreiber had a question regarding why entry 10 carpentry has stopped. Mr. West explained that it was due to the budget. The Board had previously decided to use the \$10,000 slated for painting for the carpentry rehab work at entry 10. The project might need an additional \$5,000 to complete the rehab. The Board would like to see a proposal before approving the additional money needed.

The Board discussed the proposal to remove concrete at 1801 Skycrest Drive. Tree roots were lifting the concrete. They needed to be removed and the concrete replaced.

Ms. Peverill motioned to approve 5-Star Painting's proposal in the amount of \$1,500.00 to remove tree roots and replace the concrete at 1801 Skycrest Drive. Ms. Kelzer seconded and the motion carried without dissent.

Mr. West reported that trip hazards are marked as they are discovered and they normally cost about \$90 to grind down. It is helpful if a work order is issued.

FISCAL COMMITTEE – Pauline Kelzer

Ms. Schreiber had a question regarding an insurance item. Mr. Donner explained the Mutual-wide insurance policy and each Mutual's contribution.

LANDSCAPE REPORT

Mr. Perona reported that the Board currently has various proposals waiting for their signatures.

LAWN MAINTENANCE Lawns have been fertilized with Turf Supreme a balanced fertilizer. Turf areas were also aerated this month.

ENTRY MAINTENANCE Entry crews are working on monthly schedules. Pruning shrubs and groundcovers, spot spraying weeds, etc.

TREE MAINTENANCE Waraner Brothers Tree Service handles all work orders. The first cycle of scheduled tree pruning has been completed. We have removed the two Liquidambar trees in front of 1149 Skycrest manor #1 & #2. I am currently in the process of getting bids to re-landscape this area and also a bid to install new drainage lines and catch basins. I am also getting a bid to tie-in downspouts between manors 2 and 3.

LANDSCAPE REHAB In March and early April, the MOD landscape crew completed work that was planned out by the landscape committee. The MOD crew is scheduled to come back into the mutual in August. The Tree Sculpture bids presented two months ago are still waiting for Board approval.

Ms. Schreiber reported that she is an accountant and has done a report that shows the rehab for entries 3 and 7 was over budget by \$19,000. She looked at all of the data given to her by Tess Haskett in accounting.

Mr. Perona disagreed and reported that there is \$75,000 in the rehab budget and YTD \$23,286 has been used from the rehab budget in reserves. That leaves \$51,714 to be used for rehab work.

Mr. Donner advised Ms. Schreiber that she is missing the \$75,000 in landscape reserves in her accounting numbers.

Ms. Schreiber's numbers do not match. There was discussion on the budget and numbers. Mr. Donner explained the amounts spent and that there is still money left to spend. He advised that they have never gone over budget in the landscape rehab line item and that they are still on budget.

Mr. Donner reported that he has not had the opportunity to look at Ms. Schreiber's report and would like time to do so. He would like to look at the list and review each item.

Ms. Schreiber wanted to know how approval amounts are done. Mr. Donner explained that the President approves amounts between \$500-\$5,000. Anything over \$5,000 needs Board approval. Mr. Donner said they can bring every expense over \$500 to the Board. If that is the wish of the Board, MOD will do so. The Board did not make a decision, but will review.

Ms. Kelzer suggested that the progress report prepared by Ms. Schreiber be made available to management. The parties can work out any discrepancies and then a final report may be presented to the Board. A new look can be taken at what funds are available and the Board can decide which landscape projects to move forward on.

Mr. Cardinal asked Mr. Donner to get back to the Board at the next meeting with his presentation. He asked Mr. Perona to advise the Board regarding what items are still open, including the numbers for them.

Ms. Kelzer commented that there should be two signatures on contracts and work orders.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE:

Mr. Perona reported that the fire clearance has been completed. Mr. Cardinal asked Mr. Perona to look at the trees where the limbs are almost touching the ground.

Ms. Schreiber asked Mr. Perona to check the weeds that are growing between the concrete slabs. He will have it looked at. The Board would like more follow-up on work being performed.

Mr. Donner advised that there is a set of specifications that outline what is expected from the landscaping contract. The crew gets through the Mutual once a month. Each month different items are addressed depending on the time of the year. Mr. Perona walks the projects at least monthly and meets with the landscape contractor daily.

Ms. Kelzer stated that she walked all the entries on Skycrest and noted a lot of debris on the property. It is pieces of concrete, wood, and metal, probably items left over from construction jobs. Mr. West will open a work order and Ms. Kelzer can advise him regarding what she is finding.

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE:

No report available.

EMERGENCY PREPAREDNESS COMMITTEE

No report.

COMMUNICATIONS COMMITTEE

No report.

POLICY COMMITTEE

No report.

PRESIDENT'S REPORT – Don Cardinal

Mr. Cardinal attended the Presidents' Forum and reported that the presidents approved having an outside lawyer consult with the lawyers that were reviewing the Trust Agreement. The budget was for \$9,500. Over \$18,000 was spent and is being divided among the Mutuels. The Mutuels were not happy that they were not advised that it was over budget.

Ms. Kelzer asked what additional amount would be owed per unit. Mr. Cardinal reported that all of the bills have not come in yet, so they don't have a final amount.

TARR is on hiatus until September.

There was also a discussion regarding how to communicate to residents if there is an emergency. An example given was when a mainline pipe broke and some residents were without water. Mr. Donner reported that MOD advises the President of the Mutual and the President is to advise the residents.

There was a discussion regarding the infrastructure of the community. Mr. Cardinal stated that pipes are old and there are also some electrical problems. He reminded the membership that the reserves need to be funded in case that money is needed.

EBMUD rates will be raised by a 9.5% increase starting next month. Mr. Donner reported that it was announced last year and has been built into the budget for this year.

ANNUAL DINNER REPORT

Ms. Peverill reported that there will be a buffet. There will be a \$10.00 charge to each attendee. The wine is an additional charge and the Mutual may decide to cover that cost.

Ms. Kelzer motioned that Sheila Peverill continue with the annual dinner plans. Ms. Schreiber seconded and the motion carried without dissent.

TREASURER'S REPORT

Ms. Kelzer reported that there are three delinquencies on the books. One unit requires a lien.

Ms. Peverill motioned to place a lien on account #04020024. Ms. Schreiber seconded and the motion carried without dissent.

SECRETARY'S REPORT

No report.

OLD BUSINESS

None

NEW BUSINESS

Ms. Peverill would like to have the Board appoint Sara Seltzer to fill the final vacancy.

Ms. Peverill motioned that the Board appoint Sara Seltzer to the Board of Directors. Ms. Schreiber seconded and the motion carried by a majority of 3 ayes (Peverill, Kelzer, Schreiber and 1 nay (Cardinal)).

ANNOUNCEMENT

The next regular board meeting is scheduled for July 21, 2014 at 1:30 p.m. in the Board Room at Gateway.

ADJOURNMENT

Having no further business, the meeting adjourned at 3:10 p.m. to executive session for disciplinary issues.

/s/

Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual