

MINUTES
FOURTH WALNUT CREEK MUTUAL
MONDAY, SEPTEMBER 18, 2017 AT 1:30 P.M.
BOARD ROOM – GATEWAY

President Schwartz called to order a regular meeting of the Board of Directors of Fourth Walnut Creek Mutual at 1:35 p.m. on Monday, September 18, 2017 in the Board Room at Gateway complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL: PRESENT:	Sheldon Schwartz	President
	Judy Becker	Vice President
	Judi Southcott	Treasurer
	Jerome Neuman	Secretary

ABSENT: None

Representing Mutual Operations were Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Rebecca Pollon, Landscape Manager and Anne Paone, Administrative Secretary.

Mr. Schwartz welcomed twenty-six residents in attendance.

Mr. Schwartz stated that the Special Volunteer Advisor, Pauline Kelzer, is absent today.

APPROVAL OF MINUTES

Mr. Neuman moved to approve the minutes as follows: July 17, 2017 – Regular Board Meeting, July 10, 2017 Executive Session, July 20, 2017 Executive Session, August 7, 2017 Executive Session and August 24, 2017 Executive Session Minutes. Ms. Becker seconded and the motion carried without dissent.

RESIDENTS' FORUM

The residents' forum was held. A resident stated that he thought the special assessment should be a "recovery-of-loss". He also stated that certain BBQs should not be allowed. No open flames on balconies or near combustibles. Propane grills need to have a built-in operational ignition system that will allow the person to ignite the burners without matches or lighters.

A resident reported plants dying and water breaks. Ms. Pollon stated that she hopes to be getting new technicians that will help check for breaks in the irrigation system.

There were some questions about insurance and covered losses and tax deductions. The Board advised the members to check with their insurance agents, their CPA or tax consultant.

The Board reminded the membership that the special assessment is to build up the reserves.

MANAGEMENT REPORT

Mr. Donner reported that there have been two losses in Rossmoor. The \$100,000 Mutual Agreement will take effect. There was the car accident that damaged the posts on a G-11 building. There was the recent BBQ fire. The Mutual that had the event pays \$10,000 and

the other Mutuals share the \$90,000 on a door-by-door basis, including the Mutual where the event happened.

PRESIDENT'S REPORT

No report.

LANDSCAPE AND GROUNDS, FIRE CLEARANCE

Ms. Pollon reported the following:

LAWN MAINTENANCE: Irrigation is on, the system is checked regularly but if leaks or 'geysers' are spotted please report them to the work order desk as soon as possible.

ENTRY MAINTENANCE: Entry maintenance crews are on their summer schedule pruning shrubs for size control and will be spending more time on leaf cleanup as necessary.

TREE MAINTENANCE: There are no pending tree removal permits at this time.

A large Ponderosa Pine was removed from near 1625 entry 10 this week at a cost of \$3,100. Other tree removals are being priced.

If you have landscape *maintenance* requests (pruning or irrigation), please direct them to the MOD work order desk. If you have other landscape requests please direct them to your Landscape Representative, Judy Becker.

WORK ORDER DESK

By phone: **988-7650**

By email: WORKORDER@ROSSMOOR.COM

LANDSCAPE REHAB REPORT

MOD CREW DAYS: The next MOD crew days will occur in December. The landscape representative and landscape manager will tour closer to that time to identify projects to undertake.

CONTRACTED ITEMS

APPROVED, PENDING COMMENCEMENT

- 1509 Skycrest drain-within weeks
- Others to be reported by J. Becker (staff was not involved)

BOARD ACTION ITEMS

- None

Ms. Becker reported that there is a slope stabilization project on entries 15-17. Ms. Becker would like the oleanders removed. Ms. Pollon reported that it is not prudent to remove the oleanders. It is expensive and there is concern about the stabilization of the slope.

Mr. Donner reported that to date, there is \$19,000 left in the landscape budget.

Ms. Becker gave a lengthy report on why the oleanders should be removed, including obstruction of views. Ms. Pollon suggested the Board should get input from a soils engineer to be sure the hill will be stable if they remove the oleanders.

Ms. Becker moved to contact Terra Landscaping to remove 42 oleanders and other work, including replacing oleanders. The motion failed for lack-of-a-second.

Ms. Becker moved to have Ms. Pollon and herself find a soils engineer to determine if the plants to replace oleanders would be appropriate for that area. The motion failed due to a lack-of-a-majority. (2-2) The Board agreed this was a major expense and not necessary.

Ms. Becker discussed cleaning up the weeds on the hillside behind 1449 Skycrest, entry 3. She would like 15 five-gallon medium size pink oleanders planted on the vacant slope and irrigated with bubblers. Install Gorilla Mulch on the flat ground as a walkway.

Ms. Becker moved to have the Fourth Mutual Board contract with Terra Landscaping to clean up the area, plant 15 five-gallon oleanders with bubbler irrigation on the slope behind 1440 Skycrest Drive at a cost of \$3,305. Mr. Neuman seconded and the motion carried without dissent.

Ms. Becker reported that a large expanse of dead grass is behind 1413 Skycrest Drive. The Mutual is looking to eliminate water guzzling grass where it is not needed and will not increase property values. Ms. Becker would like to have a butterfly garden planted. Remove the lawn and install 30 one gallon shrubs, 2200 lbs. of moss rock and bark. Reconfigure the irrigation as per the contract. Ms. Becker stated that 10-12 feet of grass will remain.

Ms. Becker moved to have Fourth Mutual contract with Terra Landscaping to create a Butterfly Garden in back of 1413 Skycrest Drive, entry 8 at a cost of \$3,655. Mr. Neuman seconded and the motion carried without dissent.

Ms. Becker reported the entry to Fourth Mutual is covered completely by gorilla mulch with a few trees and plants. Since this is the first impression people get, residents have asked her to beautify the entrance at the intersection of Golden Rain and Skycrest. Ms. Becker would like to have Terra Landscaping plant 108 one gallon plants on the slope in front of 1101 Skycrest at the entrance to Fourth Mutual at a cost of \$3,630.

Ms. Becker moved that Fourth Mutual contract with Terra Landscaping to plant 108 plants at the entrance to Fourth Mutual at Golden Rain Road and Skycrest Drive at a cost of \$3,630, according to the drawing provided. Mr. Neuman seconded and the motion carried without dissent.

BUILDING MAINTENANCE REPORT

Mr. West reported the following:

ACTION ITEMS: Proposal review and approval.

1. 1609 SC – Interior put back units #19 and #20 Five Star proposal \$32,290.00.

Mr. West reported that the stabilization is complete, but the plumber is still working.

Ms. Southcott moved to approve the proposal from Five Star in the amount of \$32,290 for 1609 Skycrest #19 and #20. Mr. Neuman seconded and the motion carried without dissent.

2. 1605 SC - Interior put back units #17 Five Star proposal \$19,375.00 and unit #18 \$15,850.00.

GRAND TOTAL FOR THE BOARD TO APPROVE \$67,515.00

Ms. Southcott moved to approve the proposal from Five Star in the amount of \$19,375 for unit #17 at 1605 Skycrest. Mr. Neuman seconded and the motion carried without dissent.

Ms. Southcott moved to approve the proposal from Five Star in the amount of \$15,850 for unit #18 at 1605 Skycrest. Mr. Neuman seconded and th motion carried without dissent.

INFORMATION ITEMS: Work in progress or completed.

1. 2128 TC – Five Star interior work to complete all eight units. (work in progress).
2. 1605 SC / 1609 SC – Building Leveling – Foundation Of California’s. (COMPLETED).
3. 1909 SC #7, #8, #9, #10 - Hot and cold water line re-pipe due to low water pressure. Davis Plumbing (COMPLETED).

Mr. Donner reported that he recalls 1609 Skycrest is 2 units that were built as one unit. It needs a beam to keep the units stable. The city is requiring the beam.

ARCHITECTURAL CONTROL AND ALTERATIONS; COMPLIANCE

Ms. Southcott reported there were 33 completed applications.

EMERGENCY PREPAREDNESS COMMITTEE

Steve Adza reported that there was a Red Cross Presentation in the Fireside Room. EPO meets on the first Monday of the month. There will be an annual EPO Faire on September 23rd from 9:30-1:00 pm at Hillside. There will be a CERT meeting on September 13th at Heather Farm.

Mr. Adza is monitoring drainage and has been mapping drains. Mr. Donner advised the Board that MOD will check whatever the Board would like them to check. MOD can do the work, but the Board needs to approve funding for it.

Mr. Schwartz stated that he would like the Board to meet with Mr. Adza to hear his concerns.

Mr. West reported that the gutters will be cleaned in October.

COMMUNICATIONS COMMITTEE

Penny Wade is on vacation.

POLICY COMMITTEE

Ms. Southcott reported that the proposed policies have been sent to attorney, Nathan McGuire, for review. Solar and Electric Vehicle Charging policies are being reviewed by the Technology/Preventive Maintenance Task Force.

Ms. Vicki Swisher, working on technology and preventive maintenance, reported that she sent the Board a 19 page information sheet. She also created a mission statement for the Board to review regarding Technology and a mission statement for Preventative Maintenance.

OFFICERS REPORTS

1. President's Report: No report
2. Vice President: No report.
3. Treasurer: Ms. Southcott reported as of August 31, 2017 YTD the operating fund is under budget (has revenue favorable over expenses) by \$28,233. The YTD Reserve Fund balance is \$594,955. During the month of August, expenses were generally in line with budgeted amounts. The water bill was \$4,000 higher than budgeted last month.

Fourth Mutual continues to have one account, APN #189-210-060-1, in which the Board voted on August 24th to approve initiating non-judicial foreclosure procedures. This motion has been ratified.

The status of the reserve fund was discussed at the Town Hall meeting on September 6th. The Mutual faces a major shortfall in the reserve funding. The Mutual finances will require either an increase in our monthly coupon or the implementation of a special assessment to offset this shortfall.

Ms. Southcott moved that the Board vote to send out a ballot to the membership to vote on a \$3,500 Special Assessment to replenish the Reserve Account and a vote to determine which option the membership would prefer: Lump sum payment, two payments over one year or two payments over two years. Mr. Neuman seconded and the motion carried without dissent.

Ms. Southcott reported that the Board had conducted an informal opinion survey at the Annual Meeting and the Town Hall Meeting. The results were overwhelmingly opposed, by approximately 5 to 1, to both the digital telephone service and the extra DVR box options. The Board agreed not to enter into a contract with Comcast for these services on behalf of the Mutual

4. Secretary: No report.

UNFINISHED BUSINESS

None

NEW BUSINESS

Ratifying the motion for foreclosure was addressed in the Treasurer's report.

ANNOUNCEMENT

The next meeting is scheduled for October 16, 2017 at 1:30 p.m. in the Board Room at Gateway.

***The Board of Directors met in executive session on July 10, 2017 at 3:00 p.m. to discuss the following:

1. Occupancy Issues: Fines were imposed.
2. Maintenance of Exclusive use Common Area: Fines were imposed.
3. Animal Control: Fines were imposed.

Having no further business, the executive session adjourned at 5:30 p.m.

***The Board of Directors met in executive session on July 20, 2017 at Noon to discuss the following:

1. Legal Contract: Mutual attorney
2. Occupancy: Referred to legal counsel
3. Delinquent Account: Board working with executor

Having no further business, the executive session adjourned at 3:05 p.m.

***The Board of Directors met in executive session on August 7, 2017 at 1:00 p.m. to discuss the following:

1. Compliance Matters: Board to investigate procedure for foreclosure
2. Contracts
3. Delinquency Account: Payment Plan

Having no further business, the executive session adjourned at 5:30 p.m.

***The Board of Directors met in executive session on August 24, 2017 at 12:00 p.m. to discuss the following:

1. Legal Matters
2. Member issues-Maintenance of Manor: Discussed with counseling
3. Foreclosure Matter: Initiated
4. Compliance Matters: Fine imposed

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

ADJOURNMENT

Having no further business, the meeting adjourned at 3:45 p.m.

/s/ Anne Paone, Assistant Secretary
Fourth Walnut Creek Mutual