

MINUTES
WALNUT CREEK MUTUAL NO. FIFTY-SIX
REGULAR MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, JULY 18, 2018 AT 9:30 A.M.
BOARD ROOM – GATEWAY COMPLEX

President David Smith convened a regular meeting of the Board of Directors of WALNUT CREEK MUTUAL NO. FIFTY-SIX at 9:30 a.m. on Wednesday, July 18, 2018 in the Board Room of Gateway Complex, 1001 Golden Rain Road, Walnut Creek, California.

ROLL CALL PRESENT: David Smith, President
 Bill Eames, Vice President
 Robert Ward, Secretary/Treasurer

EXCUSED: None

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

Eighteen residents who were present were welcomed to the meeting.

REVIEW OF MINUTES

Mr. Smith asked if there were any corrections or additions to the regular Board Meeting minutes of April 18, 2018 and the Tabulation of Ballots Meeting on June 15, 2018. Hearing none, he declared them approved as written and reviewed.

RESIDENTS' FORUM

Residents had questions and comments throughout the meeting on landscaping and financial issues. A resident reported a street lamp out for several months. MOD reported they are having similar problems throughout Rossmoor and PG&E is not responding to their requests.

President's Report

Mr. Smith reported that his health issues have taken a toll on him. He and his wife have decided to move back East, probably sometime in November-March. He is resigning as President effective August 2, 2018. Since that will create a vacancy, he appointed Robert Ward as President to take office, with the agreement of Bill Eames, upon Mr. Smith's vacancy.

Financial Report:

Mr. Ward reported the balance in the operating fund is approximately \$58,000. The reserve account has \$242,000 in assets. The operating account owes reserves \$15,000. The total debit line-of-credit is approximately \$945,000. The available assets are \$338,000 with \$999,000 for the special assessment. This is a total of \$1,337,000. Twenty-nine members have paid in full, one will pay through escrow, four are financing and three members have not responded yet.

Mr. Smith reported that the Board may switch to Mechanics Bank. Mechanics Bank would do financing for the residents.

Secretary Report:

None

Committee Reports:

Building/Maintenance – Patti Hornung reported that the Board should address fences and trellises on an as-needed basis. The interior inspection for sprinklers will be done every five years. The external components are inspected quarterly.

Finance – Rick Webster reported that the goals are to avoid deferred maintenance costs in the future and to stop having to use special assessments. Mr. Webster suggested doing sealcoating on the roads to extend the life 1-2 years. The Flow Systems and alarms should be done now as it is a matter of safety. The Mutual should rely on the “pay as you go” method to handle projects.

Treasurer – No separate report.

Emergency Preparedness – Mr. Samuels reported that there was a fire on Saklan Indian. He reminded everyone to make sure that papers are not stored all around the unit. New owners should complete the emergency form that lists contacts and any pets they may have in their home.

Ponds – Phyllis Christopher reported that two pumps have been replaced. Some residents spoke to her about solar and suggested that the Mutual have it installed. It would be free from the contractor and they would sell the electricity back to the Mutual at lower rates than the current PG&E costs. There is a street light that is not working and PG&E needs to take care of it. Ms. Pollon reported that PG&E is not responding.

Social – Sheila Egdal reported there will be a social on September 17th at 5:30 at the Stanley Dollar Clubhouse. A flyer will be sent out.

Landscape – Mr. Ward reported that irrigation services are provided by MOD. Residents should report any issues with irrigation or landscaping to MOD. The Berm has been upgraded with 175 shrubs and 2 trees installed. They have started a tree maintenance program to trim trees and get them off buildings. The monthly walk-arounds have been suspended. Mr. Ward asked that residents notify him with requests to replace dead plants.

Shirley Bolton agreed to be the Chair of the Landscape Committee, but she is willing to consider the position open if someone else should be interested.

Ms. Pollon reported the following:

SUMMER 2018 MAINTENANCE REPORT

Warm days are upon us and with them residents can look forward to blooming Oleanders, St John’s Wort and Crepe Myrtle trees.

LAWN MAINTENANCE Lawns have been aerated and fertilized. Mowing is occurring weekly and lawns are being edged on alternating weeks.

WATER USE Irrigation will continue to become more frequent as the temperatures rise. Residents can assist in conserving water and keeping the landscape healthy by reporting water leaks and irrigation breaks to the work order desk.

ENTRY MAINTENANCE Entry maintenance crews are performing summer pruning tasks

including tip pruning shrubs and hard pruning Catmints and Daisies.

MOD WORK DAYS Spring MOD work days were used to complete the 'Berm project'. MOD crews will return for 1 day in the summer to help irrigation crews with breaks, then 2 more days for plant replacements or very small projects in the fall.

BOARD DISCUSSION RENOVATION STRATEGY The landscape manager met with the Landscape Representative as well as a number of community members and identified several lawns that are amongst the worst in the mutual. I would like to target the renovation of these lawns first. These lawns are as follows;

- 1900-1902 Lakeshire-the lawn between the two units
- 1901 Lakeshire-the lawn in front
- 1905 Lakeshire-the lawn in front
- 1908 Lakeshire-the lawn facing Lakeshire Drive

We also identified 5 sections of lawn that are unsuitable for turf and should be converted to landscaping. These are as follows

- Section of sloped lawn behind the bus stop on Tice Creek behind 1254 and 1258 Edgewater
- Section of sloped lawn under Redwoods behind 1205 Edgewater
- 1924 Lakeshire around the fire hydrant and utilities
- 1922 Lakeshire, sloped area in front of building with drop from sidewalk to lawn
- 1920 Lakeshire, section of turf that faces 1919

Ms. Pollon stated that before obtaining bids, she would like to know if this is the strategy the board would like to pursue so we can get realistic bids and commission the work. In future years, we would continue renovating lawns that are adding value to the community and rethinking lawns that are not thriving.

The Board did not address this matter at this time.

OLD BUSINESS

Mailboxes: Ms. Hornung and Mr. Webster looked at all of the mailboxes. The Board had MOD purchase new mailboxes. They are recommending that the posts should be replaced as needed. She and Rick will replace 17 mailboxes. They can tighten the bolts on some of the posts. Only a few need to be replaced at this time.

Mr. Donner reminded the Board that if a resident works on something, there is no insurance coverage.

Ms. Hornung also recommended that the old posts do not get stained. Cleaning can cause more damage to them.

Mr. Eames moved to accept Ms. Hornung's recommendations as presented. Mr. Ward seconded and the motion carried without dissent.

NEW BUSINESS

Installation of 10-Year Smoke Detectors: Mr. Smith reported that the Mutual has been replacing the smoke detector batteries each year. The originally installed smoke detectors can be replaced with a new style hardwired unit that has a built-in, 10-year sealed lithium

battery. Mr. West reported that Sang Electric could do this at a total cost of approximately \$7400. These detectors are to code.

The Mutual should only purchase as many as are actually required.

Mr. Eames moved to install 10-year smoke detectors to replace the original ones.

Mr. Ward seconded and the motion carried without dissent.

Consideration of Resealing Roads:

Mr. Webster has recommended that the Mutual do resealing of the roads, but if there isn't enough life left, the Mutual should just do repaving.

Mr. Ward moved to have Silicon Paving reseal the roads. Additionally, do the concrete stamp and the metal hand railings on the bridge and the red curb painting.

Mr. Smith seconded and the motion carried without dissent.

ANNOUNCEMENT

Mr. Smith announced the next meeting will be the Annual Meeting held on October 17, 2018 in the Fireside Room at Gateway.

ADJOURNMENT

Having no further business, the meeting was adjourned at 10:50 a.m.

/s/ _____
Anne Paone, Assistant Secretary
Walnut Creek Mutual 56 (Lakeshire)