

# WALNUT CREEK MUTUAL THIRTY-NINE

## ANNUAL MEETING MINUTES WEDNESDAY, MAY 25, 2021, at 1:00PM ZOOM MEETING

### **Call to Order**

The Second Annual Mutual Thirty-Nine Members meeting was called to order at 1:01PM

### **Introductions**

Claire Wolfe, President  
Al Guskin, Vice President  
Bill Claussen, Treasurer  
Mike Dwyer, Secretary  
Jennifer Mu, Director at Large

**Committee Chairs:** Jean Fasholz, Landscape; John Rice, Governing Documents; Bill Claussen, Budget and Finance; Mike Dwyer, Communications; Victoria Haket, Recycling; and Jenifer Mu, Building Maintenance/Alterations.

**MOD Staff:** Kelly Maki, Board Services Coordinator; Clayton Clark, Building Maintenance Manager; Paul Donner, Director of Mutual Operations; and Rebecca Pollon, Landscape Manager

### **Approval of Minutes**

1. First Annual Meeting Minutes from May 27, 2020

**Moved, Seconded, Carried 5-0**

### **2021 Director Election**

Because there were no Director terms expiring in 2021, no election was needed.

### **Residents' Forum**

A Resident's Forum was held for comments and questions from the membership. Topics discussed in the Resident's Forum included: the Rossmoor Solar Initiative and golf cart parking.

### **Approval of IRS Resolution**

RESOLVED, that any surplus funds remaining in the Mutual's budget at the end of the fiscal year shall be applied to the following year's budget as provided for in IRS Revenue Ruling 70-604.

**Passed by voice vote with no objections or abstentions**

### **President's Report**

Claire Wolfe gave the following report:

I AM VERY PLEASED TO SAY THAT OUR MUTUAL CONTINUES TO THRIVE IN ALL ASPECTS.

OUR COMMITTEE CHAIRS AND COMMITTEES REALLY DO ALL

THE WORK AND MY GRATITUDE TO EACH AND EVERY ONE OF THESE AMAZING RESIDENTS.

SINCE WE WERE CONSISTENTLY HAVING A PROBLEM WITH OUR BUDGET AND INSURANCE COSTS, THE BOARD DECIDED TO MOVE OUR FISCAL YEAR SO THAT WE WOULD HAVE THE TRUE INSURANCE COSTS AT THE TIME THAT WE PUT TOGETHER THE BUDGET FOR THE FOLLOWING YEAR AND THUS BE ABLE TO ENACT A MORE ACCURATE COUPON. THIS CAUSED A SLIGHTLY GREATER INCREASE THAN NORMAL FOR OUR CURRENT BUDGET BUT ALLOWS US TO GET IN SYNC BY HAVING A 15 MONTH BUDGET CURRENTLY. THE GOOD NEWS IS THAT THE INSURANCE COSTS WE RECEIVED IN JANUARY WERE IN LINE WITH THE ESTIMATE WE WERE GIVEN, SO WE ARE IN A SOLID FINANCIAL POSITION THIS YEAR AND ABLE TO PAY BACK THE RESERVE FUND WHICH WE HAD TO BORROW FROM IN ORDER TO PAY THE INSURANCE BILL WHICH IS DUE IN JANUARY.

CONTROLLING COSTS IS TRICKY AS UTILITIES CONTINUE TO RISE EVEN THOUGH WE CONTINUE TO CONSERVE WATER AND ELECTRICITY. WE ALSO ANTICIPATE A RISE IN OUR MOD FEES AS WE ARE NEGOTIATING A NEW CONTRACT WITH MOD. WE HAVE A UNIQUE SITUATION WITH HAVING A MANAGEMENT COMPANY THAT IS ON SITE AND SO RESPONSIVE. THIS DOES COME AT A COST. I WILL KEEP YOU INFORMED AS WE GO THROUGH THIS NEGOTATION PROCESS. THIS CONTRACT AFFECTS ALL MUTUALS IN ROSSMOOR AND I AM PLEASED THAT ALL THE MUTUAL PRESIDENTS ARE WORKING COOPERATIVELY ON THIS NEW CONTRACT.

I WOULD LIKE TO ENCOURAGE MEMBERS TO JOIN COMMITTEES THAT ARE OF INTEREST TO THEM. WE CURRENTLY COULD USE MORE MEMBERS ON THE COMMUNICATIONS COMMITTEE WHICH MIKE DWYER LEADS. PLEASE CONTACT MIKE OR ME IF YOU WOULD LIKE TO HELP.

IT IS WITH SADNESS THAT WE SAY GOODBYE TO KELLY MAKI WHO HAS SERVED AS OUR MUTUAL BOARD SERVICES COORDINATOR FOR THE PAST FEW YEARS. KELLY HAS DECIDED TO MOVE AWAY AND WE WISH HER ALL THE BEST. WE WILL REALLY MISS HER AS SHE IS SO VERY GOOD AT HER JOB! SHE CERTAINLY HAS KEPT ME IN LINE! HER REPLACEMENT WILL HOPEFULLY BE NAMED BEFORE KELLY LEAVES SO WE CAN HAVE A SMOOTH TRANSITION.

WE ARE VERY FORTUNATE TO HAVE RESOLVED IN A PEACEFUL MANNER THE FEW ISSUES THAT HAVE COME UP WITH RESIDENTS. THIS REFLECTS OUR OVERALL PHILISOPHY OF "PEACE IN THE VALLEY" AND I THANK THOSE BOARD MEMBERS WHO HELPED ME WITH THESE SITUATIONS. THIS WAS ONE OF THE REASONS WE WANTED TO LEAVE MUTUAL 3 AND IT HAS HELPED US TO KEEP LEGAL FEES TO A MINIMUM.

FINALLY, I URGE ALL MEMBERS TO BE ALERT TO FIRE HAZARDS. WE ARE PROBABLY IN FOR A ROUGH FIRE SEASON AND WE CAN ALL DO OUR PART TO MITIGATE POSSIBLE FIRES BY KEEPING OUR GARAGES CLEAR OF HAZARDOUS MATERIALS AND TIDY. THE SAME GOES FOR OUR CARPORTS, WALKWAYS, PATIOS, BALCONIES AND DRIVEWAYS. IN YOUR MANOR, BE SURE THAT YOU KEEP THE AREA AROUND YOUR STOVETOP CLEAR. IF YOU USE YOUR BARBEQUE, PLEASE HAVE A FIRE EXTINGUISHER NEARBY AND DO NOT LEAVE THE BAR B Q UNATTENDED. WITH OUR LANDSCAPING PARTNERS, MOD AND TERRA LANDSCAPING, WE HAVE DONE ALL THAT WE CAN TO CLEAR BRUSH AND DEAD TREES TO MINIMIZE PATHS FOR A FIRE TO FOLLOW. MANY FIRES ORIGINATE BY OUR OWN CARELESS ACTIONS, SO I URGE EVERYNE TO BE FIGILANT. FIRE EXTINGUISHERS ARE MOUNTED THROUGHOUT THE MUTUAL. TAKE A MOMENT TO KNOW WHERE THERE IS ONE NEAR TO YOUR HOME AND HOW TO OPERATE THE EXTINGUISHER.

AGAIN, THANKS TO EVERYONE WHO MAKES MUTUAL 39 SUCH A GREAT MUTUAL!

**Budget Overview – Paul Donner**

Paul Donner reviewed the Budget overview of M39 for January 1, 2021, to March 31, 2022. Paul went over the components of the budget and discussed the reasons for any increases or decreases to line items in the budget.

**Committee Reports**

**1. Budget and Finance Committee: Bill Claussen**

Bill Claussen reported on the monthly financial statements, the insurance premium repayment, Reserve savings, the Mutual 39 2020 Audit, and Accounts Receivables.

**2. Landscape Committee: Jean Faszholz**

Jean Faszholz gave the following Report:

As this report is given, work by the "in house crew" is just being completed. Most of you remember that each mutual is given "labor prepaid" days each year. We try to find areas to rehab that are labor intensive. This year's #1 choice was the large poorly performing lawn area at the end of E9. It has been on my list for a number of years! Eddy Ibarra, Landscape Supervisor, was consulted and he and Rebecca Pollon came up with the design which included redoing the irrigation, adding a Dry Creek bed, mulch, gravel and drought tolerant plants. Nearby neighbors were informed and have nothing but praise for their new "park". It is near one of the landings for the stairway between E9 and E12 so it will be enjoyed by many. Our in-house crew is to be commended for their beautiful work! The remaining days were spent taking out another small poorly performing lawn in upper E12 and spreading mulch, decomposed granite and gravel to areas requested by owners and identified by the Landscape Committee.

Another poorly performing lawn in E4 will also be replaced in the near future by Terra Landscape. Rebecca Pollon applies for water rebates in all situations where lawns are removed. Even if we do not always qualify for the rebate, we do realize savings in water use.

The area around the condo in E4 that burned over 2 years ago has been newly landscaped. The cost was reimbursed by insurance.

A rather recent focus for all of Rossmoor is the removal of the large juniper shrubbery which we see in our mutual and all over Rossmoor. It is considered highly flammable. We can apply for rebates to cover part of the cost of replacing the juniper with drought tolerant plantings. But there is no guarantee if or when we will receive these rebates. So Eddy Ibarra and I have walked our property and identified the many areas of juniper. Because we have no guarantee about rebates and know it would not be within our budget to replace all the juniper we are going to first remove it in areas where it does not have to be replaced. We hope this project can be accomplished as soon as the crew can

work it into their schedule.

Landscape work is continual, and we do our best to keep up with requests and concerns by owners.

Landscape Committee,  
Olga Gordon, Judith Schumacher-Jennings, Chris Yahng, Helen Vassar,  
Chair....Jean Faszholz

### **3. Building Maintenance/Alteration Committee: Jennifer Mu**

Jennifer Mu gave the following report:

#### **Building Maintenance**

The Committee wishes to thank our building maintenance manager, Clayton Clark, and his staff at MOD for taking care of all our building maintenance needs. He makes sure that our Mutual's building rehab and other maintenance plans are implemented according to schedule and within budget. He also makes sure residents' repair calls and emergency service needs are always addressed timely.

Building Rehab: Our buildings are on a 10-year rehab schedule. Last year we completed rehab work on the two buildings in Entry 3, and this year we are working on Entry 4.

Fire Building Construction: Three years after the cigarette fire that burned down one unit and damaged two other units in Entry 4, the rebuilding will finally complete by the end of this month.

Common Area LED Lights: Phase One of converting all Common Area lights to LED has begun. This phase includes replacing existing lights along walkways and stairs, and on carports, garages, and trash enclosures in Entry 1 through 5.

Entryway Repaving: Last year we did Terra California E8/Saklan Indian E7. We also took care of an emergency repair of one section in Entry 12. This year we will repave two small sections in Entry 12 that badly need repair.

Visual Inspection of Elevated Structures: The inspection required by a new California law (SB 326, 2019) will take place next year. Clayton is in the process of getting bids for the new Mutual across Saklan Indian Dr., which has similar buildings. The price information will help us budget for next year.

#### **Alteration**

The vast majority of alteration requests are standard alterations, and their permitting authority has been delegated to MOD. Standard alterations include all indoor remodeling work, and windows and doors. In 2020 the Committee did not receive any alteration requests that would affect the Common Area.

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Exterior Paint: The Mutual does not provide free paint to residents. If members need touchup paint for the exterior of their building, they may:

1. Look up the color code for their building on M39 website and buy the paint from Sherwin Williams; or
2. Call MOD, give them the color code, and buy a quart of paint at the owner's cost. (MOD charges for their staff time used in searching for paint color codes. It saves money if members find the code online first.)

#### **4. Communications Committee: Mike Dwyer**

Mike Dwyer gave the following report:

The communications committee has been meeting regularly for several months now. We have good news to report. We added David Staub to our committee and now have four members. Joe Casalaina, Kevin O' byrne, David Staub and myself Mike Dwyer

- We have established a website for easy access to M39 information, created by David Staub. It will have the names and phone numbers of the Board, and each committee. It has a calendar, lists the Board members with contact information, a section for Governing Documents agendas and minutes and more. It is not completely populated yet as we are waiting for Board approval to move forward.
- Joe Casalaina had been working hard to rebuild the mailing list so it included the actual names of the owners who live in their respective manor. He reports that he has about 70% completed at this time. He is coordinating with John Rice to make sure we have the same mailing lists.
- The website will also offer a community bulletin board for events coming up. This will be useful for activities after Covid-19 dies down.

We will continue to complete the mailing list names project and hope to have it done this summer.

We are open to input as to how to improve our website

Our next meeting will be the Friday June 4th. We are not sure if it will be in person or zoom for one more time. All are welcome to join us.

Respectfully submitted,  
Mike Dwyer - Committee Chair

#### **5. Recycling Committee: Victoria Haket**

Victoria Haket gave the following report:

Newsletter

- Sent out Newsletters for November 2020, December 2020, January 2021 & April 2021

Recycling Posters



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- 2021 Recycling posters were posted in the trash enclosures.

### Flyers

- Distributed 2021 Recycling Guide to all residents of Mutual 39
- Created flyer for Cardboard Box Recycling and distributed it to Entry 7A on Terra California and Entry 5 on Saklan Indian.

### Trash bin replacement:

- Ordered larger bins for Entry 11A & 12A which have both been received.

### Committee Meeting

- First committee meeting held on 2/11/2020.
- Volunteer Committee luncheon is scheduled for May 21st.

### Working towards

- Increasing the number of volunteers so we have to someone monitoring each trash enclosure in Mutual 39
- Volunteers have offered to check in on neighbors to see how they are doing with recycling.
- We've had an increasing number of residents ask if they can access the recycling information online.

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Victoria Haket

## 6. Governing Documents Committee John Rice

John Rice gave the following report:

The Governing Documents Committee currently consists of John Rice, Carol Ansley, Jennifer Mu, Denise Mauldin, and David Schubb.

The Governing Doc committee report today is limited to Mutual 39 Rules and Regulations (RR) and is broken down into 5 Batches.

- Batch 1 - Draft Rules and Regulations sent out for comment following the special Board meeting on Jan 16, 2021, was approved as modified by the board on February 23, 2021. The revised documents were merged with the remaining R&Rs, and the **“combo” file was published on the Mutual 39 web site on March 22, 2021.**
- Batch 2 – Proposed updated Rules and Regulations were sent out for member comment following the February 23, 2021 Board meeting **and will be submitted today for approval.**

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- Batch 3 - Several Rules and Regulations approved for deletion at the February 23, 2021, Board meeting – these **were removed from the Combo file** mentioned above.
- Batch 4 – another batch of proposed updated Rules and Regulations **to be sent out for Member comment** if agreed at this meeting today.
- Batch 5 – another batch of R&Rs **to be deleted** – mainly appendices now incorporated into the master R&Rs.

There are several actions the Board may take related to any particular proposed RR:

- a) accept recommendations from the GDC (drafts, revisions, etc.)
- b) decide no change is necessary - leave RR as is
- c) Board makes modifications (may require another round of comments if significant)
- d) send RR back to GDC for further review and analysis

### **Batch 2 – RR following 28-day Member comment.**

The GovDocs committee has received 5 comments from Alma Winters that are addressed below.

<b>RR #</b>	<b>Title</b>	<b>Feedback</b>	<b>GDC Proposed adjustment</b>
40.0	Manor, Occupancy of	Word inconsistency	fixed
59.0	Flooring, Hard Surface	none	
60.0	Balconies, Patios, and Roofs, Restrictions	Need to better define “common area”	none CA is defined in CC&Rs
69.0	Fireplaces	none	
72.0	Wildlife, Feeding	Add #4 (No food left on dumpster for animals)	none feeding already forbidden
75.0	Conflicts, Resolution of Local Conflicts	Better define “non-urgent” disagreements & how to resolve “locally”	none better leave open
93.0	Storage Containers (PODS), Rules for Use	none	

**Action:** Propose that the Board accepts the GDC’s modifications and approves the RRs for publication.

### **Batch 4 – Draft Updated RRs to be sent out for Member comment.**



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RR #	Rules and Regulations	Reason for change
01.0	Introduction - Conformity w/Laws & Legal Documents	Incorporate 10.0
16.0	Fiscal Management	CC&Rs and §5500 + Appx
17.0	Reserve and Operating Funds, Authority to Spend	Simplify + §5510 + Appx
18.0	Policies, Enforcement of	Simplify - 1 fine rate + Appx
42.0	Carport, Garage Spaces	CC&Rs cleanup, simplify
43.0	Parking	CC&Rs cleanup
53.0	Balcony, Porches and Entry Walkways	combine 53, 54, old 55
55.0	Chairlifts	New RR (we reused #55)
91.0	Contractors - Worksite Rules	Simplify - refer to MOD rules
92.0	Work Orders, Contracts & Change Orders	Comply with 17.0

This time these are mainly cleanup of existing RRs to ensure conformance with the Law, Mutual 39 CC&Rs, and current practice.

To highlight a few changes for Members:

RR #	Comments
01.0	Positions Rules and Regulations in relationship to other Governing Documents/
16.0	Removed detailed list of items constituting an “emergency”.
17.0	The Board may wish to adjust the spending limits for M39?
18.0	Removed list of individual fines for individual Rules. Now \$100 per violation.
42.0	Removed TWCM complexity - carports & garages are EUCA - cannot sell separately.
43.0	Different jurisdictions, GRF for roads, and M39 for entryways and Common Parking
53.0	Combined 3 similar related Rules into one.
55.0	<b>New</b> – covers new and existing installations – based on other Mutuels.
91.0	Rules were out of date – now refer to MOD rules that are maintained and enforced.
92.0	The Board may wish to adjust the spending limits for M39? See 17.0.

**Action:** The Board has had these drafts for review prior to the meeting. Unless the Board has specific proposals, I suggest Batch 4 be sent out to Members for the 28 day comment period without detailed discussion today. We can handle questions, clarifications, if any, after we receive Members comments.

**Batch 5 – RRs to be Deleted.**

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The following additional RRs have been determined to be obsolete by GDC

RR #	Rules and Regulations	Reason for Delete
10.0	Laws and Legal Documents, Conformity With	absorbed into 01.0
16.0-A	Fiscal Policy	absorbed into 16.0
17.0-A	Authority to spend reserve and operating funds	absorbed into 17.0
18.0-A	Enforcement of policies	absorbed into 18.0
91.0-A	Work site rules for contractors	absorbed into 91.0

Note -A denotes Appendix

**Action:** Propose the Board approves deletion.

Thank you.

### **Announcements**

An organizational meeting of the board will directly follow the annual meeting. The next scheduled Board Meeting will be held on Tuesday August 17, 2021 @ 1:00 PM in the Board Room at Gateway.

### **Adjournment to Organizational Meeting**

President Wolfe adjourned the meeting at 2:26 p.m. and the Board moved into an organizational meeting.

### **Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the annual minutes of Mutual 39.



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**Assistant Secretary  
Mutual 39**