



Walnut Creek Mutual Fifty (Mutual 50)

**MUTUAL 50 - ANNUAL MEETING MINUTES  
TUESDAY, MAY 17<sup>th</sup>, 2022, AT 10:00 A.M.  
FAIRWAY ROOM – CREEKSIDE  
1010 STANLEY DOLLAR DR – WALNUT CREEK, CA 94595**

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**Call to Order**

President Landeros called the Annual Meeting of the Members to order at 10:02 a.m.

**Directors Present**

Donna Landeros, President  
Abbie Ogawa, Vice President Rich Johnstone, Treasurer  
Joan Schwanz, Secretary

**Directors Absent**

Rodney Lee, Director at Large

**Also Present**

Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Clayton Clark, building Maintenance Manager; John Tawaststjerna, Landscape Manager and Lucy Limon, Board Services Coordinator.

**Certification of Meeting**

*Assistant Secretary Lucy Limon, certified that a call for candidates was published in the January 19<sup>th</sup>, January 26<sup>th</sup>, and February 2<sup>nd</sup>, editions of the Rossmoor News. The Mutuals Board office received zero (0) nominations from the membership. In accordance with corporation’s code 7511 (b), a notice of the Annual meeting was also mailed to the membership on April 27<sup>th</sup>, 2022.*

*In accordance with bylaw section 6.9, a notice must go out to all residents to inform them of the board vacancy. The notice shall state a deadline of 30 days in which residents may respond to the nomination solicitation. To comply with this, a second notice regarding the board vacancy was sent out on April 27<sup>th</sup>, 2022, with a deadline of June 3<sup>rd</sup>, 2022, at 12pm to submit nominations.*

**Approval of Meeting Minutes**

President Landeros asked if there were any additions or corrections to the following sets minutes:

- a. Annual Meeting Minutes ..... May 28<sup>th</sup>, 2021

b. Organizational Meeting Minutes.....May 28<sup>th</sup>, 2021

A motion was made to approve the above sets of minutes.

**Moved, Seconded, Carried 4-0**

**Members Forum**

Residents were afforded the opportunity to express their general concerns and make comments.

Comments included building issues, landscape, possible pickleball noise issue.

**President's Report**

President Landeros reported that the Board has learned a lot in the past year. The Board has received a lot of help from Kelly B, legal counsel, and MOD. Donna participates in the monthly president's forum that meets with all Mutual presidents, MOD and GRF staff.

**Secretarial Report**

Joan Schwanz presented the following report:

As we have discussed, a Board position will open up after Abby Ogawa's term expires June 1/2022. A letter was sent to all M50 Homeowners the week of May 2 /2022 requesting volunteers to apply for this position, and an article with the same information was published in the Rossmoor News May 4,2022 (unfortunately with the incorrect Mutual number 56 in the headline). I am pleased to announce we have had one Homeowner volunteer.

By our Bylaws, we need to wait 30 days before the Board can appoint a new Board member, which will be June 3/22. The Board will have an executive session after June 3/22 to interview the applicants and vote for Abby's replacement. The name of this person will be announced at the next Board meeting, June 21/22.

With regard to volunteers, at the last Board of Directors Meeting on March 15/22, the Board voted to have Russell Ogawa appointed to the Landscape Committee. Unfortunately, he has declined to be on that Committee. In future, the Board will ensure a person is able and willing to serve before they are voted to a volunteer position.

**Treasurers Report**

Rich Johnstone gave the following report:

Operating Fund

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- 1) Used for routine payments, such as building and landscape maintenance, insurance, utilities, and professional services.
- 2) As of March 31, Operating expenses were 24% of the 2022 budget.
- 3) As of March 31, the Operating Fund was \$172,509, an increase of \$3,544 over December 31.
- 4) Significant February and March expenses:
  - a) Annual insurance premium: \$108,549 check paid in February compared to \$109,254 budget. 1/12 of the insurance expense is charged each month to the Operating Fund instead of the entire expense in one month.
  - b) Rain leaks: \$6,507 in February and \$4,263 in March. \$14,828 for January-March 2022. \$10,990 for all of 2021.
  - c) Trash pick-up: \$2,706 in February (for December & January service) and \$2,754 in March (for February and ? service), compared to \$1,254 in January (for November service). The Finance department has been requested to provide an explanation of the March expense.

#### Reserve Fund

- 1) Used mainly to pay for capital improvements in the current year and to fund capital improvements in future years
- 2) As of March 31, Reserve expenses were 7% of the 2022 budget.
- 3) As of March 31, the Reserve Fund was \$899,893, an increase of \$82,052 over December 31.
- 4) Significant February and March expenses:
  - a) Tree removal/maintenance: \$15,950 in March (59% of 2022 budget): \$11,000 for removal of two pine trees at intersection of entries 24 and 25; \$4,950 for annual trimming of trees near condos.

#### Bank Accounts

- 1) Mutual 50 has two checking accounts at City National Bank (CNB): One for Operating funds and the other for Reserve funds. In addition, there are two checking accounts for Project 50: One for Operating funds and the other for Reserve funds. CNB has informed the Accounting & Finance department that M50 and P50 each have \$250,000 in FDIC insurance, for a total of \$500,000.
  - 2) As of March 31, the combined balance of the M50 checking accounts was \$130,143. The combined balance of the P50 checking accounts was \$48,075.
  - 3) The remaining M50/P50 balances were \$904,442 in Reserve funds deposited in CNB Deposit Sweep accounts, which were 100% covered by FDIC insurance.
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## **Buildings and Facilities**

Rich Johnstone gave the following report:

### Update on Roof Assessment

- a) The committee discussed the roof assessment report that was submitted by Avelar and decided a follow-up discussion with them would not be needed.
- b) Three key Avelar opinions
  1. They estimate the remaining service life for the concrete tile roofs to be in the range of 0-1 years.
  2. They recommend roof replacement in lieu of additional remedial repairs that would be extensive and costly.
  3. Continuance of diligent maintenance is essential to assisting these roofs to continue to provide service as intended.
- c) The committee discussed the possibility of performing manor rehabilitations and roof replacements at the same time. Clayton said this combined approach would reduce carpentry costs compared to performing these tasks separately.
- d) The committee discussed the approaches of corrective maintenance vs. preventive maintenance (also referred to as “roof tune-ups”) in extending the service life of M50 roofs.
- e) The committee wants to obtain this information:
  1. Whether there have been roof tune-ups at other mutuals and, if yes, were they successful in preventing rain-related problems
  2. The cost of M50 rain leak repairs over the past few years. Rich will provide this information.
- f) The committee agreed to form a sub-committee to evaluate the options of preventive maintenance/roof tune-ups and roof replacement.

### 4B - Update on Replacement of Exterior Light Fixtures

- a) The contract with Sang Electric for the demonstration project (installation of 7 LED light fixtures at the 5521 building) and future work orders has been signed.
  - b) After the work order is approved for the demonstration project, parts will be ordered. When the parts are received in approximately two weeks, the light fixtures will be installed.
  - c) After the project is completed, the committee will make a recommendation to the Board regarding the installation of LED light fixtures in M50.
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## **Landscape -**

Joan Schwanz gave the following report:

M50 started the year Jan 1,2022 with an expected budget of \$8,000 for ground rehab and \$27,200 for trees- including the onetime removal 13 large pine trees which were ending their useful and safe lives. Additionally, we had left over funds from before Dec.31,2021 because of our decision to withhold new plantings until the water situation stabilizes.

Thus, our total 2022 budget is approximately **\$16,500 for rehab and \$29,500 for trees**, and we renewed out contracts with Waraners Tree Service and Terra Landscaping for 3 years each.

Because of the drought and 33-year age of our mutual, we paid most attention to removing dead and dying vegetation, stabilizing the mulch, reducing fire fuel and learning about native drought tolerant plants and trees which can be expected to survive in near desert conditions. So far native grasses are doing well, and we are experimenting with the drought tolerant ground cover myoporum, and hydro zones for new plantings to maximize water supplies.

We removed 5 large diseased Aleppo Pines, junipers at entry 22, and a black pine hedge on E25. Waraners tree Service provided building clearance trimming and/ or removal of 67 other trees and 2 large pine stumps, with 3 more pine stumps to be removed soon on E23. Terra Landscape filled in several hills with Oleanders where the junipers and black pine hedge had been, because they need a minimum amount of water. Two Homeowners decided to pay Waraners themselves to have Crepe Myrtles trimmed on property near their manors because the Mutual does not bear this cost.

Water conservation is of course of paramount importance. Southern California has recently enacted a once-a-week restriction on outdoor watering, and we expect the same in Northern California to be announced this month. The watering cycles have already been fine-tuned by MOD, and we replaced a broken back flow pressure gauge which has probably not worked for years, with resultant improvement in the appearance of the E25 hill. Jasmine plants we planted last year along the top of the large retaining wall at the end of E25 seem to be doing well, with the help of several Homeowners who have adopted the individual plants. We decided to leave the juniper stumps as the cost to remove them is excessive, and they provide important stability for the hills. Eventually we hope to plant native grasses among the stumps to hide them and to plant large drought tolerant bushes to replace those that are dying. Last year, mulch was applied between the condos and garages in the whole Mutual, in an attempt to prevent evaporation of water.

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The Landscape Committee has suggested changes to the Policies and Procedures allowing disabled Homeowners to use a hose to water their plants on porches, although they will still be responsible for any dry rot caused by their watering. Carrying heavy pots of water is impossible for the disabled, and gardening is often one of the pleasures they have as they become more homebound. These changes are still being considered by the Documents Committee.

The Landscape Committee is considering the formation of a small parklet at the corner of E24/25. As our funds are limited, we expect this will require Homeowner donations to provide several thousand dollars. This plan is still in its infancy, with several interested neighbors helping, and several group cars trips to other parklets in Rossmoor to see what other Mutuals have done.

Our MOD 12 pre- paid days are 5/12-20, 8/22- 23 and 11/17- 21. I met with John Tawaststjerna several weeks ago, to plan the first 7 days. Besides the final removal of junipers on E23, he suggested we add 1-2 bubblers, at very reasonable cost, to each small tree on our E25 hill. These trees have been struggling for years, partly because of the now- repaired broken backflow pressure gauge, but also because of the searing heat and steep grade on that hill. We expect we will be adding more and more bubblers to individual trees on other hills, and even large work- horse bushes such as Eleagnus on all hills. Unfortunately, ground cover may be lost from reduced watering, but we will try to contain this.

Finally, the Landscape Committee will be meeting with Terra Landscape and MOD in July to form a long-range plan of new plantings to be phased in after the rehabs of buildings are finished. Since we expect the rehabs to take several years, these new plantings will be phased in too over several years, thus reducing the annual cost and allowing for modifications required by climate change. The new plants and trees will be on common ground as the 35 -year - old original plantings are already past their expected life span.

The Landscape Committee appreciates the patience of our Homeowners for our apparent slow progress. We do not want to waste money and would rather do nothing than see beautiful new plants shrivel up and die for lack of water. We are hopeful that soon the situation will improve, and we can continue to add to the lushness we all love in Rossmoor.

### **Governing Documents -**

Abbie Ogawa reported that the governing documents is still reviewing a couple proposals that will be presented to the Board for approval at the next Board meeting.

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The committee has put in a lot of work this year in updating policies and CC&Rs to comply with CA law.

**Announcements**

Organizational Meeting of the Board to follow immediately after adjournment.

**Adjournment**

The Board Meeting adjourned at 11:29 AM.

**Secretary's Certificate**

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

Lucy Limon

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Assistant Secretary  
Mutual 50