



## Walnut Creek Mutual Fifty-Five (Mutual 55)

### **REGULAR MEETING MINUTES OF THE BOARD THURSDAY, MARCH 11, 2021 AT 9:00 A.M.**

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#### **Call to Order**

President Kelly Boruszewski called the Regular Meeting of the Board of Directors to order at 9:09 a.m.

#### **Directors Present**

Kelly Boruszewski, President  
Bobbie Richards, Vice President  
Rob Ingalls, Treasurer  
Vacant, Secretary  
Kris Carey, Director at Large

#### **Also Present**

Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Clayton Clark, Building Maintenance Manager; and Kelly Maki, Board Services Coordinator

#### **Approval of Minutes**

- a) Organizational Meeting held on January 20, 2021: A motion was made to approve the organizational meeting minutes. **Moved, Seconded, Carried 4-0**
- b) Regular Meeting held on February 11, 2021: A motion was made to approve the regular meeting minutes. **Moved, Seconded, Carried 4-0**
- c) Executive Session Meeting held on February 11, 2021: A motion was made to approve the executive session minutes. **Moved, Seconded, Carried 4-0**

#### **Residents' Forum**

Residents were afforded the opportunity to express their concerns, make comments, and have questions answered by the Board and M.O.D. staff representatives. Topics discussed included questions about the name change for the monthly coupons from TWCM P55 to Mutual 55.

#### **Vote Re Board of Director Vacancy**

It was announced that Joe Pehl resigned from the Board as of February 21, 2021. Joe served as Secretary of the Mutual and had a term that expires in 2022. A motion was made to appoint Jan Klein to the vacancy on the Board and as Secretary of the Mutual. **Moved, Seconded, Carried 4-0**

#### **President's Report – Kelly Boruszewski**

President Boruszewski gave the following report:

Our new Mutual is just under two months old. Initially, the Board strived for progress over perfection in laying down the foundation with a view of smooth sailing ahead for this and all future boards. Since our last meeting in February, we transitioned our focus on the process to begin obtaining results. Over the last 30 days:

- We retained the firm Adams-Stirling as counsel for the Mutual with the hope of never needing them except to provide legal opinions on changing law and ideas from the Board and Members of Mutual 55.

- We finalized an agreement with Terra Landscape to service our landscaping needs. This enabled the Landscape Committee to continue working with Rebecca Pollon at the GRF to ensure we are on the right track with the GRF's five-year plan, which the Mutual adopted as our guideline for juniper replacement and beyond. Rebecca reviewed Terra Landscape's material list and our current landscape movement, and believes we are doing well.
- Since our last meeting, the GRF presented the presidents of all mutual a proposed, standardized Landscape Policy. This may be a topic of discussion as our Board considers adopting the Rules and Procedures presented to our members last month.
- The MOD Contract with Mutual 55 remains unsigned by the GRF. Since our last meeting, the Presidents of most Board have objected to the language of the contract as to the shifting of liability from the GRF to the MOD. As such, the parties have paused to consider major revisions to the contract.
- As we move into Spring and Summer, water consumption will surely become a topic of conversation. Before we became a Mutual, the members who are now on the Board, and part of the Finance Committee, did a review of 2020's water bills for some five mutuals. We initially thought that when we looked at similar acreage, units, and landscaping, Mutual 55 was moderate as to water consumption compared to other mutuals. We appear not to be the thriftiest, but also appear not to be a water hog. Since that time, we have been waiting for the year-end financials and the January financials to confirm our initial belief.
- We received a 52% return on our campaign for members to accept email notice of Board and Committee meetings. The responses saved the Mutual \$9 per unit since January. The forms also included an Emergency Contact request, which will assist our Emergency Preparedness Committee in their future tasks.
- As reserves continue to be replenished, we authorized the MOD to begin securing our reserve funds by investigating our account receivables for possible sweep account transfers.
- Last, we celebrate Joe Pehl's 90th birthday this month. Joe has been instrumental as part of the team moving our small band of members from project to mutual, as well as helping everyone understand the ins and out of our financials over the last four years. With so much accomplished and wanting to hand the reins to others from this point forward to travel, it saddens me to announce that Joe decided to retire from the Board, but grateful to everything he has taught us about the inner workings of our finances. But as Alexander Graham Bell once stated, "When one door closes, another opens." With that said, we happily welcome member Jan Klein to the Board.

### **Committee Reports**

- a) Treasurer's (Committee) Report – Rob Ingalls: Rob gave the following report:

The financial committee has not met since the last board meeting. This is because we have not received the final year-end financial reports for 2020 or monthly reports from January 2021 or for February 2021.

We are not able to certify the Board's compliance with Section 5500 of the Civil Code at this time as the MOD has not given us the information to allow us to do so. I will plan to move to certify compliance at the June Board meeting assuming that we have enough information to do so.

I am particularly frustrated at our inability to properly evaluate the water usage for 2020. The preliminary December financials included a journal entry that amounted to 24% of the annual water budget which was clearly in error and without revised data it is impossible to determine where we stand.

On another subject, Mutual member Steve Blotzer and I are replacing all of the 13-watt compact florescent lamps on the garages and carports with 6-watt LED lamps. Steve

has also agreed to replace the pagoda lamps as they fail. This will save approximately \$20,000.00 in the next five years. We will save about \$6000.00 in power costs with most of the savings resulting from not having to pay the MOD over \$60.00 to change the bulbs one at a time. To date, we have replaced 116 of the 171 13-watt lamps and plan to have the project completed next week.

If you see a light not working, please notify Steve at (707) 342-1551 or at [m55buildingmaintenance@gmail.com](mailto:m55buildingmaintenance@gmail.com).

- b) Emergency Preparedness – Jane Blanchard: Jane was not present at the meeting and had no report to give. A motion was made to appoint Denise Markovich to the Emergency Preparedness Committee. **Moved, Seconded, Carried 5-0**
- c) Governing Documents – Bobbie Richards: Bobbie had no report to give. A motion was made to appoint George Gugelmann to the Governing Documents Committee. **Moved, Seconded, Carried 5-0**

\*Prior to the Landscape Committee Report, the Board moved to item a) under New Business on the agenda and then came back to the Landscape Committee Report.

- d) Landscape – Kris Carey: Kris presented a M55 Landscape Budget Overview PowerPoint Presentation that included recommendations to the Board on tree work, juniper removal, replanting of dead shrubs, and the entry 18 proposed garden.
  - i. Motion(s) to approve Landscape Committee’s presented recommendations:

A motion was made to strike the previous motion from February 11, 2021 and to approve budget and executing work orders & scheduling, and use of Free Days Not to Exceed \$20,700 (materials) + 7 Free Days Usage 2021 – Replanting Dead plants. Junipers removed in 2020 & hi-priority removed 2021. **Moved, Seconded, Carried 5-0**

Tabled Motion for the Board to approve a not-to-exceed \$10,500 budget amount and authorize the execution of work orders and scheduling of work (trees and irrigation) at Entry 18’s common garden/park. The amount was part of the Finance Committee’s recommendation to move \$19,645 of future reserves into 2021, so the Mutual’s landscape rehabilitation can move faster and with bigger plants.

A motion was made to strike the previous motion from February 11, 2021 and to Approve budget and executing work orders & scheduling to replace Low-Priority junipers removed under the 2021-DFSC#1. Not to Exceed \$7,000 **Moved, Seconded, Carried 5-0**

### **New Business**

- a) Discussion and Adoption in Full or in Part of Proposed Rules & Procedures: The following motions were made to amend the proposed rules and policies as presented to membership after further review and comment from the members:

2.1 To be removed from the Rules and Procedures completely as it can be found in the CC&Rs. **Moved, Seconded, Carried 4-0-1, Director Klein Abstained**

6.13.2 To be removed from the Rules and Procedures completely as suggested by Finance Committee. **Moved, Seconded, Carried 4-0-1, Director Klein Abstained**

7.3 Remove the word “above” and replace with “below”. **Moved, Seconded, Carried 5-0**

11.4 To be removed from the Rules and Procedures completely as it can be found in the CC&Rs. **Moved, Seconded, Carried 4-0-1, Director Klein Abstained**

13.0 Include item “4.” as it was missing from the draft that was sent to the members and states: “The Board hereby delegates to the President or Vice President its authority to approve any proposed initial lease, except that the Board reserves to itself the right to approve any lease that will result in any occupancy normally prohibited by the terms of paragraphs 41.2.” **Moved, Seconded, Carried 5-0**

15.3 Change “20 feet” to “18 feet.” **Moved, Seconded, Carried 5-0**

16.0 Remove last paragraph as it can be found in the CC&Rs. **Moved, Seconded, Carried 5-0**

17.1 Add “or regular assessment”. **Moved, Seconded, Carried 5-0**

21.18 Stricken until policy is reviewed and revised as needed. **Moved, Seconded, Carried 5-0**

21.19 To be removed from the Rules and Procedures completely as it can be found in the CC&Rs. **Moved, Seconded, Carried 5-0**

22.2 Strike “open decks/patios” **Moved, Seconded, Carried 5-0**

22.4 Strike “common areas” **Moved, Seconded, Carried 5-0**

31.1 to 31.3 To be removed from the Rules and Procedures completely as it can be found in the CC&Rs. **Moved, Seconded, Carried 5-0**

32.1 & 32.2 Reword completely as follows:

**32.1 Commercial Signs**

Commercial Signs are any sign, flag, banner or poster advertising a business, product or service, except Real Estate Signs, as defined below. All Commercial Signs are prohibited anywhere within the Common Area and within those portions of a Unit and Exclusive Use Common area visible from other Units or Common Area, including Balconies, Decks, and Patios, unless expressly authorized in writing by the Board. A commercial sign cannot obscure the view of a Resident.

**32.2 Noncommercial Signs**

Noncommercial Signs are any sign, flag, banner or poster not included in the definitions of Commercial Signs and Real Estate Signs, as defined above. One noncommercial sign or poster must be nine (9) square feet or less and a noncommercial flag or banner that is fifteen (15) square feet or less may be placed within a Unit or Exclusive Use Common Area (but not in the general Common Area). No other Noncommercial Signs visible from other Units or Common Area are permitted. noncommercial sign cannot obscure the view of a Resident.” **Moved, Seconded, Carried 5-0**

35.1 section 5) Change “1,300” to “1,600” and change “15mph” to “25mph”. **Moved, Seconded, Carried 5-0**

- b) Discussion re requesting GDRC to propose a landscape policy, and as to:
  - i. Research/Report on possible adoption of GRF’s draft landscape Policy, and/or
  - ii. Research/Report on possibly allowing Resident’s to pay Mutual for added “upgrades/larger” plants.

The Landscape Committee will prepare something for the Board to review at the June meeting.

**Announcement of Next Board Meeting**

The next scheduled Mutual 55 Board Meeting will take place on Monday, June 14, 2021 at 3:00 p.m. via Zoom.

**Adjournment to Executive Session**

President Kelly Boruszewski adjourned the regular meeting at 11:47 a.m. and the Board moved into Executive Session.

**Executive Session Summary**

The Board met in Executive Session to consider a late fee waiver request and discuss contracts.

**Secretary's Certificate**

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



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Assistant Secretary  
Mutual 55