

MINUTES  
WALNUT CREEK MUTUAL NO. FIFTY-SIX  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
MONDAY, JANUARY 8, 2018 AT 1:30 P.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 1:30 p.m. on Monday, January 8, 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.

Twelve residents who were present were welcomed to the meeting.

REVIEW OF MINUTES

Mr. Smith asked if there were any corrections or additions to the Annual Meeting minutes of October 18, 2017 and the Organizational Meeting minutes of October 18, 2017. Hearing none, he declared them approved as written and reviewed.

President's Report

No report.

Financial Report

Mr. Eames reported that he believes the Mutual will need to have a special assessment later this year. The Board will discuss this at a later date.

Mr. Smith stated that the Board agrees with Mr. Eames about considering a special assessment.

Treasurer Report:

Mr. Ward reported that as of the end of November, the operating fund had a balance of \$1,828 and the reserve fund had a negative balance of \$305,794. The long-term debt (line-of-credit) was \$464,404. He reviewed some details of his report such as deferred maintenance items and the approximate costs.

Mr. Smith recommended that a survey be sent out to the membership to see where residents would like the money to go. The Board will discuss this at their next meeting in April.

Secretary Report:

None

Committee Reports:

Building/Maintenance – Rick Webster reported that the outside buildings, which include odd numbers from 1917-1937 Lakeshire, are complete. They did a walk-around about a week ago and tagged items that need to be done or addressed in some manner. There were 5 change orders that were inevitable. Three of them were due to sprinklers hitting the buildings.

It will cost \$16,000 to do all sprinklers for the 37 buildings. Eleven units have already been done.

Mr. Webster asked that the Board approve an amount to install the additional sprinklers. Curtis of Bright View will do the work.

*Mr. Ward moved to approve a NTE amount of \$12,000 to complete the bubbler installations for the remaining buildings. Mr. Eames seconded and the motion carried without dissent.*

Mr. Webster reported that Tony of Five Star is ahead of the schedule.

Painting of the front door takes 5 hours to do. The door must be kept open to dry.

Finance – No separate report.

Landscape – Mr. Ward reported that there was a complete check of the irrigation system and everything is okay. Bubblers were installed at 1917-1937 Lakeshire. Mr. Ward received an updated plan from Ms. Pollon for the Berm area, south of Lakeshire. They will use reserve funds to buy the plants and use MOD hours to plant them. He will have a landscape committee meeting to discuss the new plan. They will check with EBMUD before implementing the new plan.

Mr. Ward suggested that the Board consider some items for a later date. These include the status of private gardens, upgrading landscaping by replacing shrub sprinklers with bubblers, implementing proposed tree clearance/safety trimming and removing and replacing some sod. EBMUD is currently offering a rebate for sod removal, but no one knows how long it will be available.

Mr. Ward discussed reconciling BrightView and MOD landscape services regarding irrigation. MOD can do the irrigation checks and repairs.

*Mr. Ward moved to cancel the BrightView contract for irrigation services. Mr. Smith seconded and the motion carried without dissent.*

Ms. Pollon has a proposal for \$9,000. She can review it to see what items can be addressed later to bring the amount down to \$7,500, which is in the budget.

Mr. Smith reminded the Board to let him know if they need something placed on the agenda so the Board can take action on it.

Mr. Smith stated that the Board will have to address issues such as private gardens and electric vehicle charging stations in the near future.

He is in talks with Mutual 65 to cooperate together in having the governing docs updated. It might be more cost-effective.

Ms. Pollon reported the following:

LAWN MAINTENANCE: Mowing occurs 1-2 times per month during the winter months due to slower turf growth. Irrigation will run only as needed during dry periods between rains.

ENTRY MAINTENANCE: Entry maintenance crews are on their winter schedule hard pruning shrubs for vigor and size control.

**TREE MAINTENANCE:** The poplar behind 1937 has been removed. A proposal for building clearance and preventative tree maintenance was prepared last year for a total of \$9,206 so I will look at the line items and identify which ones can be postponed until 2019 to not exceed the \$7500 annual budget and present a revised proposal to the board.

**LANDSCAPE REHAB:** MOD crews are scheduled to work in M56 for 5 days in late April/early May. As that time approaches the Landscape Manager and Landscape Representative for the mutual will meet to discuss projects including a possible 'Berm' upgrade that will be discussed with affected residents.

If you have landscape *maintenance* requests (pruning or irrigation), please contact the MOD work order desk. Requests for landscape improvements should be directed to your landscape representative.

#### WORK ORDER DESK

By phone: 988-7650

By email: [WORKORDER@ROSSMOOR.COM](mailto:WORKORDER@ROSSMOOR.COM)

Emergency Preparedness – Emergency Preparedness – Mr. Samuels was not at the meeting. No report was given.

Ponds – Phyllis Christopher reported that the ponds are a large expense for the Mutual. She would like to see expenses cut on maintenance. She would like to get more bids, but doesn't get much of a response from vendors. Mr. Donner reported that MOD is not staffed to do the work. There was a brief discussion about vendors in the past not showing up and not doing a very good job. Mr. Smith told her there is no need to do anything else. The current company does the job.

Social – Ms. Egdal reported that the next social will be on May 22<sup>nd</sup> in a private residence. Flyers will go out.

#### RESIDENTS' FORUM

A resident asked if anyone knew how the extra fish got in the pond.

#### OLD BUSINESS

Rick Chakoff reported that the current auditors, Hinricher, Douglas, & Porter, no longer handle HOAs. However, the person who actually performed the work has formed a company called Porter & Lasiewicz. The Mutual has two years left on the 3-year contract. After some discussion about whether to engage another company,

*Mr. Smith moved to continue with Porter & Lasiewicz as the 2017 auditors. Mr. Ward seconded and the motion carried 2-1. (Smith, Ward-for, Eames opposed)*

#### NEW BUSINESS

Mr. Chakoff explained that the insurance numbers come in December well after the budget is prepared. It is paid in full in January. Mr. Chakoff asked for a motion to borrow from the reserve account.

*Mr. Eames moved to borrow \$15,000 from the reserve account for insurance to be paid back on or before the end of 2018. Mr. Ward seconded and the motion carried without dissent.*

ANNOUNCEMENT

Mr. Smith announced the next Board meeting will be held on April 18, 2018.

ADJOURNMENT

Having no further business, the meeting was adjourned at 3:05 p.m.

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