

MINUTES  
WALNUT CREEK MUTUAL NO. FIFTY-SIX  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
WEDNESDAY, APRIL 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, April 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.

Seventeen 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 January 8, 2018. Hearing none, he declared them approved as written and reviewed.

RESIDENTS' FORUM

A resident reported that the coupon was raised in 2014 instead of having a special assessment, yet the Mutual has already had a \$20,000 special assessment. Mr. Smith stated that circumstances change, so it was necessary. She asked that the Board consider having the resident forum at another time during the meeting. Mr. Smith stated that it makes more sense to have it at the beginning, so residents may make comments. Once the Board has made decisions, it is too late for members to offer comments.

Mr. Smith reported that the Mutual can hold a Town Hall Meeting if residents want to address some issues.

A resident reported that when he opens his front door, wood chips and bark get into his home. He would like a small lawn there instead.

APPOINTMENTS

Mr. Smith appointed Rick Webster and Patti Hornung as co-chairs of the Finance Committee.

President's Report

No report.

Treasurer Report:

Mr. Ward reported that there is approximately \$400,000 in the accounts, but the Mutual still owes Five Star about \$355,706. As of the end of March, approximately \$710,000 is owed

to Bank Popular. Mr. Ward estimates our total line- of-credit debt will be about \$920,000 when building rehab is completed. Individual responsibilities to settle the final line of credit debt will be met by either special assessment or conversion of a portion of the long-term debt to a fixed term obligation.

Secretary Report:

None

Committee Reports:

Building/Maintenance – Rick Webster reported that the contractor has nearly completed all the siding replacement work and final painting. The Building Committee has an upcoming scheduled walk around the last buildings with the contractor to assess the work and painting. We anticipate the work to be completed in June. There were 9 change orders, 4 were for dry-rot related repairs, totaling \$15,692. Five were for areas of siding that were determined to be compromised enough that they had limited remaining life function. They would not hold up until the next anticipated painting cycle. The total was \$50,512.

BrightView Landscaping has stated they have replaced all remaining sprinkler heads that could spray on the building's siding on all buildings. The Building Committee has an upcoming scheduled walk around with their rep to confirm the completion of this work.

The Building Committee will also be viewing all private garden areas in the near future to check that residents have amended their irrigation systems so no water from such is spraying on the buildings.

Finance – No separate report.

Landscape – Mr. Eames volunteered to do an irrigation system check. He will work with Rebecca Pollon. MOD work days are scheduled for June.

Mr. Ward reported that the Berm upgrade will be option 3 plus 2 trees. The labor will use up 5 of the 9 MOD days. The plants and materials will cost between \$4,730-\$5,655.

They will replant the entry flower beds. It will cost \$840 each spring and fall.

*Mr. Smith moved to continue with the Entry Flower Bed plantings for a cost of \$840 each spring and fall. Mr. Eames seconded and the motion carried without dissent.*

Mr. Ward discussed using \$5,000 to update the Camp and Camp Landscape plans.

After discussion, it was decided that is not necessary because the Board can rely on Rebecca Pollon, Landscape Manager for suggestions. The money can be used for something else. The 2018 reserve budget for plant rehabilitation is \$18,113.

The large Ash tree at 1911 Lakeshire needs to be removed at the resident's expense. Ms. Pollon reported that they have a permit form the City of Walnut Creek. Mr. Ward would like to begin implementing the deferred tree maintenance such as clearance, thinning, and dead wood removal. The proposed cost is \$9,206. The operations 2018 tree/maintenance budget is \$7,500.

Mr. Ward asked members that have a private garden to put a sign up that indicates it is a private garden.

Ms. Pollon will create a plan for work to be done in the next 2-3 years. She can get bids, too.

Ms. Pollon reported the following:

### LATE WINTER/EARLY SPRING 2018

As weather warms and days lengthen, growth patterns will begin to accelerate. Residents can currently enjoy blooming Azaleas, Rhododendrons and Cherry trees.

**LAWN MAINTENANCE:** Mowing will increase to 2-3 times monthly and turf will be aerated and fertilized in the next few weeks.

**WATER USE:** Due to late season rains we expect to irrigate very little for the remainder of April. In late April and early May however, be on the lookout for signs of water leaks and irrigation breaks. If a break is suspected please report the location to the work order desk.

**ENTRY MAINTENANCE:** Shrub fertilization will take place over the next 6 weeks.

**LANDSCAPE REHAB:** MOD crews will have 5 days in Lakeshire beginning June 7<sup>th</sup>. We plan to use that time to undertake the Berm landscape rehabilitation as detailed in the attached document.

If you have landscape *maintenance* requests (pruning or irrigation), please direct them to the MOD work order desk. If you have other landscape requests please direct them to your Landscape Representative, Robert Ward.

#### WORK ORDER DESK

By phone: 988-7650

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

Emergency Preparedness – Mr. Samuels reminded members to be aware if their neighbors are away. Residents should also remember to keep supplies on hand.

Ponds – Phyllis Christopher reported that the ponds are working fine. There is a problem with the height of the spray from the fountain. A new pump may be needed.

Social – Ms. Ward reported that there will be a get-together at the Crist's home on May 22<sup>nd</sup>. There will be desserts and hors d'oeuvres.

#### OLD BUSINESS

None

#### NEW BUSINESS

1. Helsing Group Reserve Study Proposal:

*Mr. Eames moved to approve the Helsing Group Reserve Study proposal in the amount of \$2,400 through 2020. Mr. Ward seconded and the motion carried without dissent.*

2. Consider assessment of \$27,000:

Mr. Smith reported that the Mutual's options regarding payment of the line-of-credit are to do nothing and it will convert to a 15-year loan or do a special assessment. Banco Popular could give residents a 15-year loan to pay off the assessment. The Mutual would borrow the money and the resident would pay the Mutual or just pay a lump sum.

*Mr. Ward moved to have a \$27,000 special assessment per manor to pay off the debt with Banco Popular. Mr. Eames seconded and the motion carried without dissent.*

Mr. Eames would like a town hall scheduled to explain the special assessment to the

members.

3. Mr. Chakoff reported that there will be lien against a unit for anyone who wants to finance the assessment. The debt is with Banco Popular. The Mutual must maintain \$100,000 with the bank.

Mr. Smith stated the Board needs to find out how many members may want to finance the assessment. The Board will definitely hold a town hall meeting. A notice will be sent advising the members of the date and time. The Board would like the ballot to go out as soon as possible.

4. Repair and/or replacement of mailboxes:

*Mr. Ward moved to survey the mailboxes and replace those that need it. Mr. Eames seconded and the motion carried without dissent.*

5. Consider Review/Updating of Bylaws and Policies:

Mr. Smith reported that he has asked the attorney for prices to update the Bylaws and policies.

#### ANNOUNCEMENT

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

#### ADJOURNMENT

Having no further business, the meeting was adjourned at 10:30 a.m.

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