

MINUTES

WALNUT CREEK MUTUAL SIXTY-FIVE (DEVONSHIRE)
REGULAR MEETING OF THE BOARD OF DIRECTORS
TUESDAY, OCTOBER 22, 2019 AT 9:30 A.M.
DONNER ROOM, EVENT CENTER, WALNUT CREEK

President Tom Harrick called to order a regular meeting of the Board of Directors of WALNUT CREEK MUTUAL SIXTY-FIVE at 9:30 a.m. on Tuesday, October 22, 2019, in the Donner Room at the Event Center, 1021 Stanley Dollar Drive, Walnut Creek, California.

PRESENT: Tom Harrick, President
Richard (Dick) Walsh, First Vice President
Ed O'Dea, Second Vice President
Tom Lenz, Treasurer
Lois Kadosh, Secretary

EXCUSED: None

Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Rick West, Building Maintenance Manager; Rebecca Pollon, Landscape Manager and Anne Paone, Administrative Secretary.

There were also 22 residents present.

APPROVAL OF MINUTES

Mr. Walsh moved to approve the minutes of the Annual and Organizational meetings of July 16, 2019 as written and reviewed. Ms. Kadosh seconded and the motion carried without dissent.

PRESIDENT'S REPORT

Mr. Harrick reported that the Board thanks everyone that contributes to the success of the Board. The Board is addressing the updating of the CC&Rs. There are many concerns from residents regarding fire prevention. The hillside will be replanted. The Board will address the 2020 budget. Mr. Donner will present the proposed budget to the membership. The Board has a proposal for new signage. The trash was not picked up on Comstock until Saturday. The watermain break cost \$10,000. The washing machine failed and the owner's insurance will cover it.

FIRST VICE PRESIDENT'S REPORT

None

SECOND VICE PRESIDENT'S REPORT

No report.

Ms. Kadosh reported that she is disappointed in the attorney in getting the CC&Rs ready to be presented to the membership. The governor has now signed a new bill with changes, so there will be a delay.

TREASURER'S REPORT

Mr. Lenz reported that for the nine months ending September 30, 2019, the operating fund YTD was a \$5,235 deficit to revenue and \$18,843 deficit to the budgeted amount. The main categories contributing to the deficit both YTD and to budget were Building Maintenance, Landscape Maintenance, Insurance and Water.

On the replacement reserve category YTD, reserve is \$60,210 favorable to expenses. The total of the two fund balances is \$494,759, which is an increase from 12/31/18 when it was \$439,784.

Mr. Walsh moved to certify compliance with Section 5500 of Davis-Stirling. Mr. Lenz seconded and the motion carried without dissent.

Mr. Harrick reported that last year \$35,000 was borrowed from reserves to pay the insurance premium. This has been partially paid back. There is \$15,000 still owed to reserves.

MANAGER'S REPORT – Paul Donner and Rick West

Mr. Donner reported that the \$10,000 plumbing leak has not been paid yet. The charges are being reviewed.

Mr. Donner presented the proposed 2020 budget as follows:
He reported that there are 3 parts to the budget. The operating fund is for day-to-day items. The reserve fund is for major items such as painting and roofing. The GRF portion is for maintaining the Trust properties and providing cable to residents. The management fee will increase by \$2.06 due to COLA (Cost of Living Adjustment). The total Building Maintenance & Public Works will increase by \$1.04. Landscape Maintenance will have an increase of \$1.68. Insurance will have an increase of \$34.22. This is due to the extra increase for 2019 and to cover 2020. Last year there was a 27% increase built into the budget, but when the insurance was placed in December, the increase was actually 50%. Total Utilities will have an increase of \$15.00. The increase in Working Capital will be \$47.70. The Mutual Maintenance & Operations Assessment will be increased by \$95.67. The Mutual Reserve Assessment will be decreased by \$47.35. The total Mutual Assessment will be \$48.32. The GRF Assessment will be \$12.68. The total Basic Assessment will be \$61.00. The monthly amount per manor will be \$997.00.

Mr. Donner reported that it would be ideal to have the insurance premium amount or 2 months of operating expenses built into the operating balance.

BUILDING MAINTENANCE COMMITTEE REPORT – Lois Kadosh/Rick West

Mr. West reported the following:

PENDING ITEMS: Proposal review for Approval

1. Gutter & Downspout Cleaning – Contractor: Professional Gutter Services – New 3 year contract.
Next cleanings is scheduled for late November and then again in early February. Annual Cost \$5,120.00
2. Paint curb in front of designated mailboxes – Contractor MOD – estimate (Presented to the Board).

INFORMATION ITEMS: Work In Progress or Completed.

1. Emergency Main Line Fire Sprinkler underground leak –
Cost for Fire Protection Management and AMAC - \$10,313.00 - included weekend work / new Coupler and Christy box.
2. Proposed projects scheduled for 2020 includes installation of new gutters and downspouts. Budgeted at \$79,000.00.

Mr. West reported the next big projects are painting in 2023 and asphalt in 2024. Mr. Harrick asked Mr. West to have the metal box on the boundary of Lakeshire-Devonshire painted. Mr. West will find out who actually owns it.

EMERGENCY PREPAREDNESS

Mr. Holland reported there was a meeting, but not too many people attended. She is happy to meet one-on-one. She needs help for Comstock and asked for volunteers.

SOCIAL COMMITTEE REPORT – Cathy O’Dea

Ms. O’Dea reported the December 7th Holiday invites will be going out. In 2020, the Holiday party will be held on December 5th at the Stanley Dollar Clubhouse.

LANDSCAPE COMMITTEE REPORT – Pamela Walsh/Rebecca Pollon

Ms. Pollon read her report as follows:

FALL 2019 MAINTENANCE REPORT

As the weather cools and the day lengths shorten irrigation will become less frequent even if the warm weather continues.

Residents can look forward to the fall colors of Red Maples, Liquidambar, Pistache trees,

and Nyssas.

LAWN MAINTENANCE Selected lawns will be over seeded by November 15th.

WATER USE As temperatures decrease and day lengths shorten, irrigation use will decline.

ENTRY MAINTENANCE Entry maintenance crews will finish summer pruning tasks and start transitioning to fall cleanup.

RESIDENT REQUESTS

If you have landscape *maintenance* requests (pruning or irrigation), please direct them to the MOD work order desk. If you have landscape *improvement* requests please contact your mutual landscape representative.

WORK ORDER DESK

By phone: 988-7650

By email: WORKORDER@ROSSMOOR.COM

LANDSCAPE REHAB REPORT

INFORMATIONAL ONLY, NO BOARD ACTION REQUIRED AT THIS TIME

MOD WORK DAYS M65 has two remaining MOD days for fall which will be used for plant replacements and small planting projects. They are tentatively scheduled for mid-late November.

BUDGET Landscape rehab remaining \$11,000 not spending because of budget overages in insurance

LAWN REHAB DISCUSSION: Turf in Mutual 65 is in bad shape due to age, tree roots, and wear and tear. Bids for the renovation of all lawns on Wales and Comstock (Castleberry is not included) have been prepared and are simplified in an attached spreadsheet however bids are from 2017 and need to be updated with current prices.

Much thought should be given to what the future of what Devonshire will look like. Mature tree roots compete with grassy areas and many lawns should be eliminated as replacing them with new lawns is only a short term solution. We may consider hiring a designer to re-envision what is best for Devonshire.

WORK BEHIND 1700 COMSTOCK: The Acacia shrubs behind 1700 were removed for fire prevention. Diablo Fire Safe council has tentatively approved a grant for matching funds of \$5,000. The funds, however, are not currently available so the program is not guaranteed. We have been told by the council to go ahead with the work and retain receipts and man-hours used.

TREE REPORT

INFORMATIONAL ONLY, NO BOARD ACTION REQUIRED AT THIS TIME

BUDGET Tree remaining ~\$5,500

So far this year your tree budget has funded fire abatement work on the hill behind Wales Dr, tipping and shaping of most Crepe Myrtle trees, and the removal and pruning of selected flowering Plum trees. Remaining funds should be conserved to perform any necessary maintenance of trees between now and the end of the year.

Ms. Pollon will look at the hillside to make a plan for planting to keep it from sliding.

UNFINISHED BUSINESS

None

NEW BUSINESS

1. Signage: Mr. Brykczynski provided some history regarding signage. Previous efforts were not successful because of cost and many design options. He explained how the committee came up with their recommendation. The committee agreed a maple leaf outline on the sign would be appropriate, heralding the Mutual's unique trees. The location should be well outside the re-painted perimeter of the traffic circle, but highly visible from Tice Creek Drive. Therefore, it should be placed directly in front of the retaining wall at the entrance to Comstock. Another sign should be installed above the top end of the Wales color spot. The best estimate is \$1,600 for each sign. Installation and sales tax would be just over \$4,000 for both signs. The signs will help people to locate the Mutual. Mr. West reported that solar lights can be installed near or around the signs.

Ms. Kadosh moved to accept the recommendation. Mr. Lenz seconded and the motion carried 4-1 (Walsh).

2. 2020 Budget:

Mr. Walsh moved to approve the 2020 budget as presented with an increase of \$61.00 and a per manor per month total of \$997.00. Ms. Kadosh seconded and the motion carried without dissent.

RESIDENTS' FORUM

A resident asked if the weeds behind Comstock will be removed. Ms. Pollon will check the area.

A resident stated there is a tree by or in the creek and it should be removed. Ms. Pollon stated that she can send a note to the City.

ADJOURNMENT

The next meeting will be the Board Meeting on Tuesday, January 21, 2020 at 9:30 a.m. in the Donner Room at the Event Center.

Having no further business, the meeting adjourned at 10:43 a.m.



Anne Paone, Assistant Secretary
Walnut Creek Mutual Sixty-Five