

MINUTES

WALNUT CREEK MUTUAL SIXTY-FIVE (DEVONSHIRE)
REGULAR MEETING OF THE BOARD OF DIRECTORS
TUESDAY, JANUARY 16, 2018 AT 9:30 A.M.
DONNER ROOM, EVENT CENTER, WALNUT CREEK

President Charles Coburn called to order a regular meeting of the Board of Directors of WALNUT CREEK MUTUAL SIXTY-FIVE at 9:30 a.m. on Tuesday, January 16, 2018, in the Donner Room at the Event Center, 1021 Stanley Dollar Drive, Walnut Creek, California.

PRESENT: Charles (Chuck) Coburn, President
Richard (Dick) Walsh, First Vice President
Lois Kadosh, Secretary

EXCUSED: Tom Harrick, Second Vice President
Tom Lenz, Treasurer

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 18 residents present.

APPROVAL OF MINUTES

Mr. Walsh moved to approve the minutes of the quarterly Board meeting of October 24, 2017 as written and reviewed. Ms. Kadosh seconded and the motion carried without dissent.

PRESIDENT'S REPORT

No report – items on agenda.

FIRST VICE PRESIDENT'S REPORT

No report.

SECOND VICE PRESIDENT'S REPORT

No report.

SECRETARY'S REPORT

No report.

TREASURER'S REPORT

Mr. Donner reported that for the month of November the operating fund balance was \$31,521 and the reserve fund balance was \$364,702. The Mutual was over in the

Building line item, but is within \$4,000 of the budget.

MANAGER'S REPORT – Paul Donner and Rick West

Mr. West reported the following:

ACTION ITEMS: Proposals to review.

1. Replacement of rusted gutters on 1716, 1720 and 1722 Comstock.
Estimate from Contractor: Western Sierra. (Presented to the Board).
Mr. West reported that the cost is \$400 for each location. The Board approved a NTE amount of \$1,200.

INFORMATION ITEMS: Work In Progress or Completed.

1. Installation of 6 new larger diameter Downspouts between the triplex garages._MOD cost \$1,300.00 (Completed).
2. Gutter Cleaning – Contractor: Professional Gutter Services - (Completed).
3. All underground connections identified as clogged has been snaked or replaced by Five Star. (Completed).
4. Skylights – 19 new skylights installed by contractor: Mares and Dow. Currently 6 skylights remain to be installed at 1708, 1724 and 1725.
(Work in Progress).

Mr. Coburn reminded the membership that the Mutual had asked for the members' approval for scheduling the work on the skylights, but the Mutual has a responsibility to maintain and repair the skylights, so the work will be done regardless of the members' schedule.

EMERGENCY PREPAREDNESS

Ms. Holland reported that there was a meeting last summer on Comstock. They are hoping to do it again and would like to include the other streets, too. She reported that there is a service called TeleCare that will call residents every morning between 8 and 9 a.m. to check on them. Some residents might consider using this service.

BUILDING MAINTENANCE COMMITTEE REPORT – Lois Kadosh

No report.

SOCIAL COMMITTEE REPORT – Pamela Walsh

No report.

LANDSCAPE COMMITTEE REPORT – Pamela Walsh/Rebecca Pollon

Ms. Walsh had no report.

Ms. Pollon reported the following:

LAWN MAINTENANCE: Irrigation is running infrequently and turf is being mowed 1-2 times

per month as weather and growth dictates.

ENTRY MAINTENANCE: Entry maintenance crews are transitioning to winter pruning including hard pruning of shrubs for size control and good health

TREE MAINTENANCE: M65's annual tree maintenance is complete for 2017. The Landscape Manager will meet with the arborist to identify any preventative pruning that can be done during the dormant season this year.

LANDSCAPE REHAB: 5 MOD work days will occur in late April. The Landscape Manager and Landscape Representative(s) will meet beforehand to outline projects to undertake. The Landscape Manager will be obtaining several re-sodding bids for consideration at a later meeting.

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 Representatives ?? (Comstock) or Pamela Walsh (Wales)

WORK ORDER DESK

By phone: 988-7650

By email: WORKORDER@ROSSMOOR.COM

UNFINISHED BUSINESS

Mr. Coburn reported that the skylights are not completed yet, so he would like to table the financing of them until they are all done. Mr. West reported that at the end of 2017 the reserve fund had \$332,000. At the end of 2018, it is expected that the ending balance will be \$431,000. The 2017 budget had \$60,000 built in for this item.

Mr. Donner reported that the Mutual can do a special assessment to recoup the \$60,000, but he recommends not doing it. The Board should monitor the money and when they are ready to do the roofs they can decide how healthy the funds are. A special assessment may not even be needed. The Board is in agreement at this time with Mr. Donner and Mr. West's assessment of the matter.

NEW BUSINESS

Mr. Coburn reported that Terry Brykczynski has resigned from the Landscape Committee. The Board thanked him for his service. Ruth Reeves was appointed by the Board to fill the vacancy for Comstock.

Mr. Coburn reported that the Mutual is still in need of a chair for the Social Committee. If someone does not step forward, there will be no special events or parties planned. The Board would love to see members step forward to volunteer on the Board and committees. In the future, the Board would like to create a committee to oversee the revision of the CC&Rs. It would also be great to have someone volunteer to check on the lights periodically to see if any are out.

Mr. Coburn reported that Tom Harrick and Lois Kadosh are both willing to run again for another term on the Board. The Board is always looking for new people to participate. The Board appointed Mitzi Weinberg as the Inspector of Elections. If anyone is interested in serving, please contact Ms. Weinberg or a Board member within 3 weeks. Ms. Paone

will send an article to the Rossmoor News that will have the exact deadline to declare your candidacy.

Mr. Coburn reported that Dick Walsh and he were contacted by Mutual 56 re: combining our two Mutuals as our buildings, streets and landscaping issues (other than the ponds)

are so similar and because we both have difficulty in attracting members to serve on the board or committees.

Then, because we also received similar letters last year to revise outdated CCRs, we inquired as to whether we might save money to redo both at the same time because of our similarity. We were told 'no' for a variety of reasons listed by the attorney.

Then in January, the Attorney wrote a second 5 page letter specifically outlining 12 points that she suggested needed revision due to the changes in Davis-Stirling laws...plus potential new issues such as reviewing our policies to deal with items such as solar panels.

The quoted cost for revisions is \$6,950, but the cost can rise depending on the number of revisions or meetings. That's the equivalent of \$160 per Mutual unit.

We looked at this last year and the board voted not to make any changes due to the relatively young age of our documents and cost of revision, but the board agreed to revisit it again this year. Because all of our board members are not here, I am going to calendar this for the July meeting.

My personal concern, as president, is the question of fiduciary responsibility. The attorney said we DO have fiduciary responsibility...although added that "it was not a breach of our duty to not start the project right away because they are not so ancient as to be abusive to our governing process."

If we were to make the changes, we need a majority of the board to vote yes, then form a committee, perhaps with two board members and possibly one or two non-board members which, when completed, would then require a vote of the entire Mutual. If we do not receive a majority yes vote, we would have spent the money for no purpose.

Mr. Coburn asked Mr. Donner for his opinion and he stated that the CC&Rs work until you have a problem. Right now everyone is happy, but the documents need to back up the decisions of the Board. The membership gets to vote on the CC&Rs.

Mr. Walsh reported that he wants to get the Mutual's finances in order and do this project at the end of this year or maybe at the beginning of next year.

Mr. Donner reported that the CC&Rs would be paid from the Operating Expenses. The Mutual can decide to budget for this item and can put the cost on the coupon.

Mr. Coburn stated that the Board will discuss the skylights and the CC&Rs in the July Board meeting.

RESIDENTS' FORUM

No questions or comments were presented.

ADJOURNMENT

The next meeting will be the Annual Members Meeting on Tuesday, April 17, 2018 at 9:30 a.m. in the Donner Room at the Event Center.

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

/s/ _____
Anne Paone, Assistant Secretary
Walnut Creek Mutual Sixty-Five