

FIRST WALNUT CREEK MUTUAL (FWCM)

AD HOC WEBSITE COMMITTEE REPORT

Feasibility & recommendations to the FWCM Board of Directors

Mary A. England
9-25-2019

FIRST WALNUT CREEK MUTUAL BOARD AD HOC WEBSITE COMMITTEE CHARTER

PURPOSE of the Committee:

The purpose of the Committee is to assess the need for a First Walnut Creek Mutual (FWCM) Website, evaluate and recommend the feasibility of designing, developing, supporting, maintaining, and disseminating education to the membership for use of a FWCM Website.

TIMEFRAME for Deliverables:

- July 26, 2019: Present draft Committee Charter for approval
- August 23, 2019: Present draft Status Report
- September 27, 2019: Submit Final Committee Report, disband

DESCRIPTION of Deliverables:

The Ad Hoc Committee shall deliver a Final Report to the FWCM Board to include:

1. Analysis and research of FWCM Website development project scope
2. Recommendations for process to develop, implement, and support FWCM Website
3. Benefits and projected costs for options in item #2
4. 2020 Budgetary projections for initial Website launch and ongoing support

MEMBERSHIP of Committee:

The Ad Hoc Committee shall consist of FWCM members, including a FWCM Board Director Liaison. All Committee members are volunteers and will include the following:

1. Chairperson: Mary A. England
2. Board Liaison: John Moe
3. Member: Elizabeth Knefel (resigned)

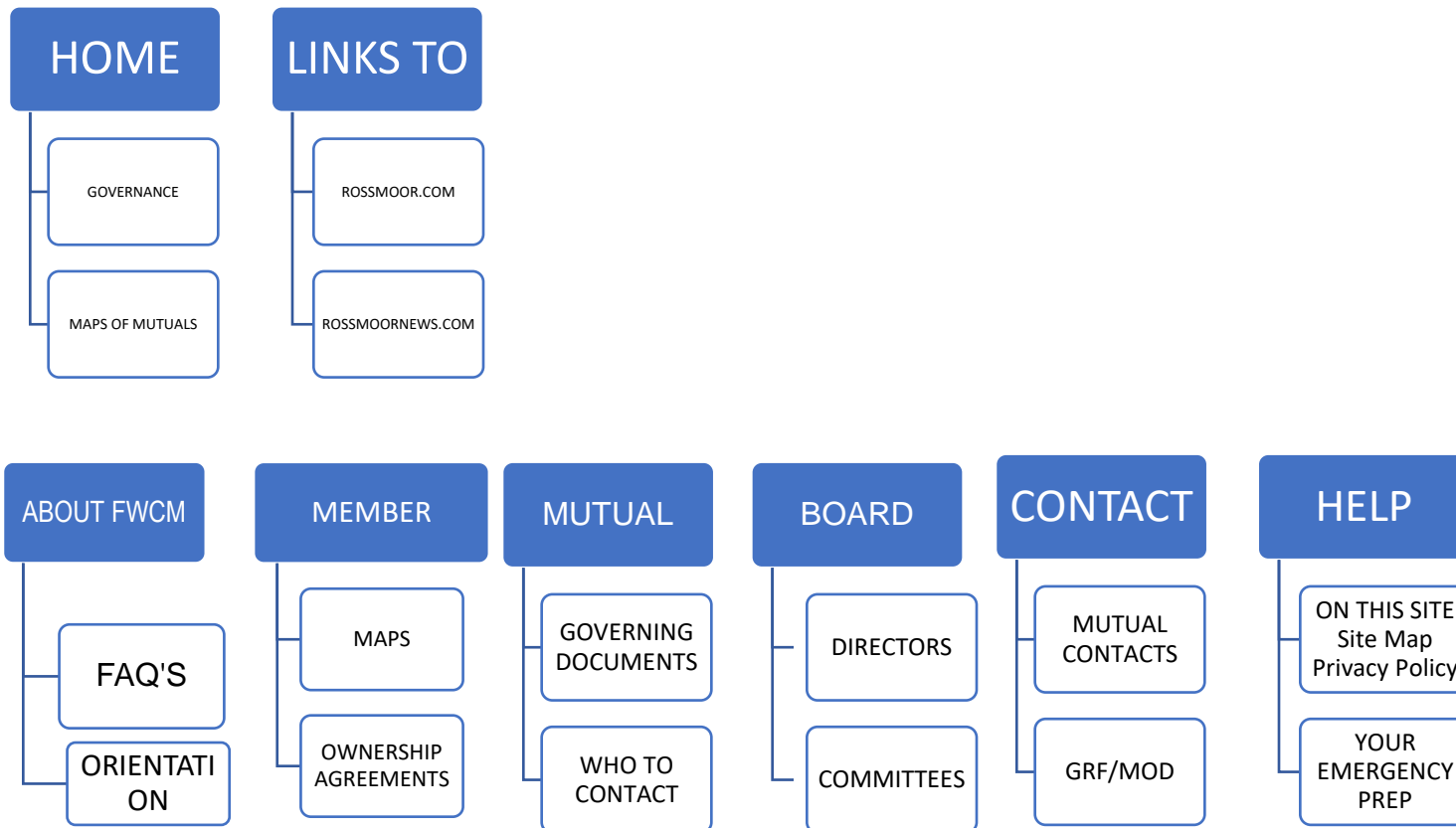
Executive Summary

The Committee summary of report recommendations is:

1. A FWCM-sponsored website is feasible
2. A website development vendor is recommended
3. Projected first year website vendor cost will be \$0.035 per member per month
4. Projected annual website vendor cost thereafter will be \$0.03 PM/PM
5. FWCM Board will need to provide on-going oversight for the website
6. FWCM Board may want to appoint a Committee for #5
7. FWCM Board will need to consult Legal Counsel to address legal issues

Draft Homegrown FWCM Website sitemap

The Committee reviewed the option to design, develop, launch, and maintain a “Homegrown” Website. The FWCM “Homegrown” website sitemap might look like this:



RECOMMENDATION:

The Committee **does NOT recommend** the “Homegrown” Option.

For suggested content detail for a moderate level FWCM Website Functionality see pages 18-19

Level of Functionality Development & Implementation

The Committee recommends FWCM develop the Website in phases. The advantages of phased development and implementation are, at minimum:

1. Ability to test content, communication, and sitemap launched in stages
2. Deliver existing content, static documents, with initial minimum level of user interactivity
3. Stage migration to higher level of member interactivity as member adoption mature

RECOMMENDATION: develop and implement FWCM Website project in phases

Phase 1: Feasibility & Recommendations to BOD for adoption, Survey FWCM Membership and Plan to Budget
Initiate Legal Counsel advice, Appoint Committee to manage process

Phase 2: Introduce existing FWCM content, documentation, work with Rossmoor.com, launch new images

Phase 3: Introduce additional content, **secure member login ID & Password**

Phase 3: Implement secure Board Directors section, Mutual Board Office, Officers/Committee member communications

What is Year 1 Website Development projected cost?

What are projected vendor fees of Website development and implementation? (If vendor recommendation is accepted)

1. Approximately \$650 for 1-time development fee (\$100) and annual fee (\$550).
2. In terms of FWCM Member costs, the vendor fee represents \$ 0.035 Per Member/Per Month for year 1 and \$0.03 PM/PM after year 1.
3. Legal Counsel fees will likely be in the range of 2-3 hours. FWCM Legal Counsel previously provided counsel to Mutual 68 for launching the M68 Website.

What are annual costs of mailings for FWCM, printing, postage, handling? Savings may be realized as more Board Directors & Members use the website. Time may be saved by staff and Board Directors when Website is launched.

What have other Mutuals accomplished launching their own designated Website?

Both Mutual 4 and Mutual 68 have launched Websites.

Mutual 4 is exploring options for a vendor-developed Website.

Mutual 68 has had significant success in member access to their M68 website. M 68 selected **HOA-Site.com** as vendor for their site. M68 shared their vendor comparison spreadsheet with us as an attachment.

What have other HOA's, Mutuals accomplished with their Websites?

Let's look at two examples (click on links below on electronic version of report):

- Low Level Home grown: M4 www.4wcm.com
- Moderate Level Professional Website: M68 <http://m68eagleridge.com/>

FWCM Ad Hoc Website Committee Questions for Mutual 68

The FWCM Website Committee and the FWCM Board President met with the Mutual 68 "Information Committee", two members and the M68 Board President on August 13, 2019.

The M 68 Website implementation process was shared with FWCM and the Questions & Answers are documented in the Q & A Chart below:

TOPICS	Q: QUESTIONS A: ANSWERS	COST (1x/ongoing)
Vendor decision	Q: What competitors did you vet? Q: How did you select vendor HOA-sites.com? (See attachment) Q: Who owns Website Domain Name, who applied for it? A: M68 owns “ ” “. Vendor applied for it	(See attachment) (See attachment) Mutual Corporation
Design decision	Q: Did Committee decide, Board approve website map? A: Board adopted site as official Mutual Communications with approved security (User Name/ Password Protected login)	
Security decision	Q: How did you decide to implement secure login site? A: Advice of Mutual Attorney, Melissa Ward. See Copy of Legal Counsel Website Registration Form	
Member Registration	Q: How did you accomplish this? A: Lots of Mutual Communication Is Member Records involved? Provided Mutual Member Directory Did “ ” validate members? With Mutual Member Directory How did you get emails? Some from MOD, gathered others. Promoted through Mutual newsletter, demos, testimonials, report in Rossmoor News with pictures	Member Records supplied emails of members in 68 that disclosed emails
Administrator role	Do you have a Mutual member, MOD staff, external hire? Communication Committee volunteered, staff provided Mutual Member Directory, HOA Sites Project Manager coordination through launch of site, Lots of HOA Sites Tech Support after “Go Live” Key Success Factors include:	

	Secure access for members, Board-only pages, Mutual members learn to become more self-sufficient/less dependent on Board Directors for phone call resolution of issues and questions on site	
Vendor relationship	Have you encountered undisclosed surprises with HOA-Sites.com? A: NONE	
Legal Consultation	Q: What questions did you ask Legal to pursue? Can you share legal issues? A: Recommended secure User name/password-protected login. Mutual “Board of Directors Only Access” secure as well.	See attachment page 15
What Goals, Benefits?	A: Mutual GOALS: Mutual Communication, Transparency, Costs Savings, Replace repetitive contact with Staff, replace repetitive frequently asked Questions of Board members, enable members to problem-solve information questions themselves, survey members, conduct Mutual Board communication and business in a secure, “Board-Only” section of Mutual site, reduce mailings costs, Post Alerts as necessary, Breaking News posts, post standardized FAQ’s for Mutual, MOD, GRF contacts and functions, Post standardized Mutual documents, Message Board Alerts,	
Mutual Board Only Access	This section of the Website is described on page XX Benefits are: can be secure Board-Only communication for BOTH individuals and “Groups”. There is a Cabinet of “Archived Documents” for Board-Only eyes. Can click on secure list of Annual Documents, Executive Session Minutes, Board Calendar, Board Communication. Can search by date, topic, again Board-Only secure access. Highly recommended for Board security. (see Davis-Sterling on use of ‘personal’ email for Mutual Board communication).	

In Summary: **M68 1 Year Project to Implement Website: 65% members already access & use site**

FWCM Ad Hoc Website Committee Questions: Website vendors

The table below documents Questions & Answers for the two vendors on our short list for comparison.

TOPIC: QUESTIONS	HOA – SITES.COM	HOA EXPRESS
Costs for Domain name: Acquire Maintain	Included in PRO Plan Client Select Client Ownership	UNK
Migrate to higher level of functionality, higher design	Yes	Yes
Source of Administrator: Client Vendor or independent	Client	Same
Administrator Support: Tools (Admin Panel) Training Average hours/month For Client input to update site	Yes, vendor can train multiple site Administrators	UNK
Fees to Budget: PRO Plan per year Standard Development fee Domain Name Admin Support Other to budget?	Total \$650 in year 1 Per Member Per Month Total \$550 in years after 1 1 Time = \$100 Cost included in PRO Plan Source of images/photos	
Legal issues for CA HOA?	See Davis-Sterling links page	

What are examples of the preferred vendor (HOA-Sites.com) Client sites links:

Below are two Del Webb communities' examples:

<http://www.delwebbbunionpark.com/home/>

<http://www.delwebbgрдunes.com/default.php>

Recommendation: FWCM Website “Domain Name”

Researching available Website “Domain Names” reveals that the acronym FWCM is already in use.

The full name of FWCM, FirstWalnutCreekMutual.com IS available and the committee recommends FWCM Board acquire the domain name with the fee to be included in the PRO Plan from HOA-sites.com vendor.

The FWCM becomes the legal owner of the domain name.

What Website features and functionality will benefit the Board & Members of FWCM?

For member benefits in detail, please “Comparison of HOA Website Developers for Mutual 68” at end of report. Member benefits of features & functionality of a Website include:

- ✓ Mutual Communication
- ✓ Mutual Content
- ✓ Member Management & Interaction

Of particularly unique value is the Section of features contained in “Board Member-Only Features”. Mutual 68 has implemented the Board Member-Only features for Board-only communication and Board business. Benefits of this section, which ONLY the Board will access include:

- ✓ File cabinet for Board Only documents
- ✓ Private, secure Board Only Messaging Board
- ✓ Private Calendar of Board Events
- ✓ Board Minutes for easy access
- ✓ Board Minutes of Executive Sessions
- ✓ Legal Documents
- ✓ Easy access to contact Site Administrator & Sub-Administrators, Vendor support
- ✓ Board Training on how to use the “Board Member-Only Features”

There is a clear benefit for FWCM Board Directors using the features in the “Board Member-Only Features” section, namely if a Director’s electronic communication is every under subpoena, there is clear separation from using personal electronic communications. (Mutual 68 Board Directors use this section of the Website for secure Board business.)

FWCM can select features to pilot and implement. Not all features are necessarily appropriate for initial launch of the website. The committee **does not recommend implementing** Message Board, Business Directory, event registration.

Recommendation: FWCM Board seek Legal Counsel on Questions raised by the following links in Sterling-Davis Law:

Davis-Sterling.com Links relating to Mutual Website Legal Questions

<https://www.davis-stirling.com/HOME/Chat-Rooms>

<https://www.davis-stirling.com/HOME/Posting-Minutes-on-the-Website>

<https://www.davis-stirling.com/HOME/Draft-Approved-Minutes>

Publish Approved Minutes. Once draft minutes have been approved by the board, they should be distributed to the membership in some fashion--either by summarizing them for the newsletter, posting them on a common area bulletin board, posting them in a password protected place on the association's [website](#), and/or mailing them to the membership. Approved minutes must be [permanently available](#) for inspection by the membership.

<https://www.davis-stirling.com/HOME/Membership-Lists>

MEMBERSHIP LIST EMAILS

In a case involving a corporation not governed by the Davis-Stirling Act, the court of appeals in [Worldmark v. Wyndham Resort](#) interpreted the word "addresses" in [Corporations Code §8330\(a\)](#) to include email addresses for purposes of a member's inspection and copying rights.

Applicability to HOAs? The courts have not ruled on whether it applies to common interest developments. An argument can be made that HOAs are governed by a similar but more restrictive provision in [Civil Code §5200](#) which allows members to inspect and copy "Membership lists, including name, property address, and mailing address." If an association maintains a membership list with everyone's email address and if a California appellate court decides that the *Worldmark* decision applies to homeowner associations, boards would then be required to provide membership lists that include email addresses to those members who request it (except for those homeowners who [opt out](#) of the membership list).

Argument Against. At least one lower court decided that the *WorldMark* case does not apply to associations governed by the Davis-Stirling Act. Lower court decisions are not binding on other courts or other parties. Nonetheless, this decision shows that at least one court, when faced with an actual controversy and having had an opportunity to analyze the *WorldMark* case in detail, found that it did not apply. The court recognized that the law does not require associations to maintain a list of members' email addresses and that members who give their email addresses to the association so that they can receive communications from the association should not be forced to receive unsolicited emails from fellow members.

Recommendation: Because there is no case law on this issue for HOAs, the better position for boards is to protect member privacy by not releasing email addresses.

<https://www.davis-stirling.com/HOME/Requesting-Minutes>

Transparency. To eliminate the problem altogether, your board can *and should* routinely post minutes (except for [executive session minutes](#)) on your association's website in a password protected area of the site. If your association

doesn't have a website, the board should (i) summarize its meetings in a newsletter, (ii) post minutes on common area bulletin boards and/or (iii) distribute the information each month in the billing statement. Requiring members to submit a monthly request makes it look like the board is hiding something. That only creates distrust. Instead, the board should create openness and transparency by keeping members timely informed about the board's activities.

<https://www.davis-stirling.com/HOME/Electronic-Notice>

Starting January 1, 2010, many notices, disclosures and documents may be delivered electronically to any member who has agreed to that method of delivery.

Written Consent Required. Before an association can electronically distribute documents, notices and disclosures described above, it must receive the recipient's written consent. ([Civ. Code §4040\(a\)\(2\)](#).) The consent must comply with all the requirements of [Corporations Code §20](#), which includes a clear written statement to the recipient as to:

- any right of the recipient to have the record provided or made available on paper or in nonelectronic form, whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation, and the procedures the recipient must use to withdraw consent.

Form of Consent. The Act does not mandate a particular form for the consent except that it be written. An email qualifies as written consent. ([Civ. Code 1633.7](#).) The email can be printed by the association and stored in a file or it can be stored electronically. Even so, associations are allowed to create their own consent forms. Lawyers like to include disclosure language about how the consent remains effective until such time as it is revoked in writing.

Electronic Delivery Defined. The Davis-Stirling Act defines electronic delivery to mean "email, facsimile, or other electronic means." ([Civ. Code §4040\(a\)\(2\)](#).) Other electronic means include posting on an electronic message board or network which the association has designated for those communications, together with a separate notice to the recipient of the posting. ([Corp. Code §20](#).) If a document is delivered by electronic means, delivery is complete at the time of transmission. ([Civ. Code §4050\(c\)](#).)

Incentives. Associations can offer [incentives](#) to their members to switch from paper to electronic delivery of disclosures, notices, and documents.

Finally, a **Mutual Website "Privacy Policy"** needs to be written, approved and posted at implementation. If the FWCM website links to other sites, ([Rossmoor.com](#)), a notification must be posted if leaving one site for another.

Recommendation: FWCM Members & Board Directors FWCM Website use

1. Survey FWCM Members/emails/ paper survey (see table below)
 - ✓ Where do you get your Mutual information?
 - ✓ What info would you like to see, use?
 - ✓ Would you use a FWCM-specific Website?
 - ✓ Do you use websites like Rossmoor.com?
 - ✓ Will you be in a pilot for the new FWCM Website? What is your email?
2. Agree upon & Acquire Domain Name with #3. below
3. Commit to 1 Year Contract with Vendor HOA-Sites.com
4. Develop FWCM Pilot Site: assess Board, Member Access & Utilization

	FWCM WEBSITE SURVEY QUESTIONS	YES	NO	COMMENTS
1	Where do you get your FWCM information? ✓ Phone Call ✓ Paper copy ✓ Rossmoor.com ✓ Word of Mouth			
2	Would you like FWCM information through a dedicated FWCM Website?			
3	Would you use your own secure Password and user name to access a Member secure section of FWCM Website?			
4	What information would you like to see on a dedicated FWCM Website?			

	<ul style="list-style-type: none"> ▪ Governing Documents (CCR's, Policies, etc.) ▪ Frequently Asked Questions (FAQ's) ▪ New Member Orientation ▪ Who to contact in Rossmoor lists, Maps? ▪ How to request help from MOD? 			
5	Will you help FWCM launch a Website? (Register FWCM Members secure login, username, and password)?			
6	Will you participate in the FWCM Website Pilot project to test how you use the site?)			
7	What is your email? <hr/>			

The FWCM AD Hoc Website Committee Identified and Tasks

The Committee has completed the feasibility phase of the project and has documented the following tasks below.

	TASK Description	ASSIGNED	STATUS	COMPLETE
1	Draft Charter	MAE	Due 7/5	X
2	Review other Mutual Websites- Template invite to present	MAE	Due 7/12	X
3	Review Davis-Sterling for HOA compliance issues	JRM	"	X

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4	Follow-up on Mutual members' email access	"	"	X
5	List FWCM Website functionality, needs, limits	ELK, MAE	"	X
6	Outline Website Options: High-Level Interactivity Low-Level Static Document Publishing	" "	"	X
7	Develop sample Site Map for High, Low-Level Options	MAE	"	X
8	Develop project scope document for Website Options	All	Start PRO & Migrate to PLUS	x
9	Recommend project process for development, implementation of Website Project			
10	M 68 Questions/Consultation	MAE/All		x
11	Assess Competitors	EK	M 68	x
12	Expand Committee	Board		
13	Review Davis-Sterling	MAE/All	Partial	x
14	Define FWCM Administration Role		Phase II	
15	Draft FWCM BOD Summary Recommendations for Website Project	MAE	9/12/19	x
16	2020 Budget \$0.035 PM/PM	BOD		
17	Website Legal Questions	MAE		
18	Distribute Final Report	MAE	9/25/219	x
19	Develop Survey Questionnaire	MAE		x
20	Appoint Follow-up Committee	BOD	Phase II	
21	Survey Questionnaire: Board Approval, Distribute & Evaluate	Committee	Phase II	

What is an example of necessary FWCM Website legal documentation for launching the FWCM Website?

The following document was drafted by M68 Legal Counsel and may serve as an example which would be used to register FWCM Members using email communication with FWCM and accessing FWCM Website:

Walnut Creek Mutual 68

EMAIL REQUIRED DOCUMENTS AUTHORIZATION

TERMS AND CONDITIONS

AGREEMENT TO TERMS AND CONDITIONS:

This Agreement is intended to serve as consent to receive documents by electronic means pursuant to Civil Code section 4040(a)(2). Please enroll me in the Walnut Creek Mutual 68 (“M68”) email required documents service (“email documents”). I understand that there is no charge for using this service. This document forms the basis of the agreement between a property owner and M68 in relation to the use of email statements and other documents and notices required to be provided to property owners by M68.

Terms and Conditions: Email Enrollment

1. By enrolling (or registering) for the email document service, you agree to receive your M68 documents via electronic mail (email). This includes, but is not limited to, any and all legally required documents and notices that M68 is required to provide its members as detailed in the Davis-Stirling Common Interest Development Act, the California Corporations Code, and the M68 governing documents, to the extent those documents may be delivered electronically.
2. By registering and completing the required form, you are considered to have consented to receiving by email all documents and notices which are authorized to be sent by email. Please note that certain notices, e.g., certain ballot materials, lien notices, hearing notices, and the like, are required by law to be sent in hard copy to the member.
3. After registering, you may discontinue the delivery by email of documents and required notices by providing written and signed notification to M68 as provided below.
4. Limitations, Changes and Cancellation:
 - a. Service Limitations: M68 will take reasonable efforts to provide your email documents in a productive and efficient manner. However, technical or other difficulties cannot always be foreseen or anticipated. M68 is not liable for failures of email

- documents transmissions due to any cause, including but not limited to transmission failures due to: bounced emails, full email boxes, internet access problems, network failures or any other delays.
- b. Cancellation: you may cancel your email documents enrollment at any time by email (m68board@rossmoor.com) or written notification to M68 Board Services Coordinator, 1001 Golden Rain Road, Walnut Creek, CA 94595.
 - c. Entire Agreement: All terms and conditions set forth herein constitute the entire understanding between you and M68 regarding email documents.
 - d. Privacy: M68 will use all reasonable efforts to ensure email addresses are not used for purposes other than M68 document dissemination but M68 takes no responsibility for unauthorized access of emails, ensuing spam, etc.

HOA-sites.com Features

Choose A Topic To Learn How We Can Help You

User-Friendly And Robust Features For Non-Techy Folks



Communication

Mass email, text messages, news, events, contact form, email accounts...



Content

Pages, navigation, text, images, links, mini view boxes, slideshow...



Financial

Accounting, invoices, payments, reports, year end, products, expenses...



Improved Processes

Custom forms, amenity reservations, voting, event registration, ticket system...



Member Interaction

Classifieds, homes for sale, message board, lost & found, directory...



Membership Management

Registrations, renewals, properties, access control, profile fields...

Committee Summary Recommendations:

- #1: FirstWalnutCreekMutual.com Website is feasible & beneficial
- #2: HOA-sites.com selected as vendor of choice for Website development
- #3: FWCM Budget for 1 year costs of \$650.00 + Survey costs
- #4. FWCM Contract with HOA-sites.com for PRO Plan level of service
- #5. FWCM Survey Members at 2019 Annual Members Meeting
- #6. FWCM Board Charter & Appoint a “Communications Committee”
- #7. FWCM Pilot FirstWalnutCreekMutual.com Website with Board & Members