

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

**Call to Order**

President Warren called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 9:03 a.m.

**Roll Call**

**Directors Present:**

Nan Warren, President Dist. XIV, (2025)  
Mike Abell, Treasurer Dist. IX, (2025)    Marty Schwager, VP Dist. X, (2024)  
Les Birdsall, Director Dist. XIII, (2023)    Tom Lauck, Director Dist. IV, (2023)  
John Swearingen, Secretary Dist. VII, (2024)    Bill Leary, Director Dist. V, (2025)  
James McFarland, Director Dist. III, (2024)    Lauralee Barbaria, Director Dist. XV (2025)

**Also Present:** Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Joel Lesser, Chief Financial Officer; Clayton Clark, Building Maintenance Manager; John Tawaststjerna, Landscape Manager; and Lucy Limon, Board Services Coordinator

**Members' Forum**

Members were afforded the opportunity to express their general concerns and make comments. Topics discussed included: 2023 budgets booklets, membership notices and gutter cleaning.

*Paul Donner advised that several budget booklets were printed incorrectly. He added that MOD has been made aware of this mistake and will mail the booklets again. This will be at no extra cost to the Mutual.*

**Approval of Meeting Minutes**

President Warren asked for any corrections and/or additions to the following sets of minutes:

- a) Regular Board Meeting Minutes .....November 14<sup>th</sup>, 2022
- b) Executive Meeting Minutes.....November 14<sup>th</sup>, 2022

A motion was made to approve the aforementioned sets of minutes.

**Moved, Seconded, Carried 9-0**

**President's Report**

No report was given.

**Secretary's Report**

No report.

**Treasurer's Report**

Treasurer Mike Abell presented the following report:

THIRD WALNUT CREEK MUTUAL  
 BOARD MEETING MINUTES OF THE BOARD  
 MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
 ZOOM MEETING AND IN-PERSON  
 BOARD ROOM – GATEWAY  
 1001 GOLDEN RAIN RD  
 WALNUT CREEK, CA 94595

Status of Outstanding accounts receivable:

Owner Billable Recap - TWCM			
	Delinquent Coupon	Outstanding Owner Billables	Total Delinquent
30-Jun-22	\$164,290	\$229,544	\$393,834
31-Jul-22	\$157,199	\$252,458	\$409,657
31-Aug-22	\$144,187	\$252,834	\$397,021
9/30/22	\$117,044	\$242,813	\$359,857
10/31/22	\$102,197	\$179,169	\$281,366
12/12/2022 est	\$68,000	\$140,000	\$208,000

I request a Board Resolution approving the 2022 INTERFUND balance repayment and approval of 2023 INTERFUND reserve loan to fund insurance payments for each Project

I request a Board Resolution to write-off uncollectible balances as detailed in the executive board meeting session.

During the past 30 days, 1 lien was liquidated, and 1 lien was converted to a foreclosure.

An analysis of the Helsing data was compiled and will be discussed with Directors and Helsing in January – date tbd.

- a. Motion that the Mutual Funds Report has been reviewed by the Treasurer and a summary provided to all Directors:  
**Moved, Seconded, Carried 9-0.**
- b. Motion that all Directors have reviewed their Project Specific Financials.  
**Moved, Seconded, Carried 9-0.**

**Finance Committee Meeting**

Mike Abell provided the following report:

The finance committee met at 9 am and the meeting went approximately 80 minutes. In attendance were the following members:

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
ZOOM MEETING AND IN-PERSON  
BOARD ROOM – GATEWAY  
1001 GOLDEN RAIN RD  
WALNUT CREEK, CA 94595

Mike Abell – Chair  
Tom Lauck – Director  
Nan Warren – President TWCM  
Roxanne Stallings – Member  
Kay Barthold – Member  
Florence McConnell – Member  
Anne Dailey – Member  
Patty Tanner – Member  
David Jennings – Member

Absent – Mary Neff - Member

The topics discussed were as follows:

1. Introduce David Jennings - our newest member – David provided a short bio
2. Audit report discussion
3. Current state of our delinquent accounts – 3<sup>rd</sup> party billing issues
4. A brief discussion on Insurance deductible and the December finance committee meeting agenda – which will include a presentation on deductible options and the goals of the 2023 audit
5. Joel Lesser recapped the INTERFUND BALANCE refund / worksheet and process. Confirming the need to process a board resolution to both return the 2022 loan and create the 2023 insurance loan.
6. Discussed. The legal status of TWCM vs. individual projects
7. The next Finance Committee meeting will be Dec 15 at 9:30 am.

**Building and Maintenance Committee**

Tom Lauck presented the following report:

1. **Status of outstanding items from prior Committee meeting.**
  - a. **TWCM Survey of Structural Integrity and Performance of Occupied Buildings.**

The committee reviewed the IDA report entitled ASCE 41-17 Tier 1 and Tier 2 Seismic Evaluation Report Rossmoor Buildings: 600 Terra California Drive, 1605 Ptarmigan Drive, 1995 Cactus Ct, 2516 Ptarmigan Drive, 3101 Terra Granada Drive dated October 20, 2022. Tom Lauck and Clayton Clark reviewed the report with IDA on

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

November 16 and requested some revisions to the report. IDA was requested to clarify that the evaluation of the buildings was completely voluntary and upgrade of any of our structures is not required, based on current building code, or other city or county ordinances, unless an alteration, repair, change of occupancy, addition to, or relocation of an existing building is proposed. Deficiencies identified do not indicate that buildings evaluated were not constructed in compliance with the applicable codes at the time of construction. Mitigation recommendations are voluntary and not required unless there is an alteration or repair. When the revised report is provided by IDA it will be made available to the Board and the residents.

The committee discussed two possible next steps to quantify the cost of voluntary seismic retrofits. The first option would be to request that IDA take one of the buildings in the current evaluation and prepare a set of structural documents for pricing by a contractor familiar with seismic retrofit of residential construction. We expect that the engineering cost for this study of one building will be significantly higher than that for the initial evaluation, but we have not yet solicited that cost from IDA. A second option is to engage the contractor who previously performed a rebuild in Project 45 that required some seismic upgrade components, and request that he give us a ballpark number for applying those upgrade components to one or more of the buildings in the current evaluation. (Clayton was requested to pursue this option in a discussion after the committee meeting.) The committee will report back to the Board in January with recommendations.

Members of the committee felt that there are other costly structural issues with our buildings that may be a higher priority than voluntary seismic upgrades and require more immediate attention. The first issue is building settlement, which MOD mitigates when it becomes a problem for the building with inoperable doors and windows. Some of these settlement mitigation projects have run as high as \$40,000 when the building must be jacked up. The second issue occurs in buildings which have water lines from upper-level units routed down and under the foundation of the lower-level units. When water lines break concrete slabs and foundations must be demolished and replaced at substantial cost.

## **2. Clayton Clark Maintenance Issues**

Clayton was not available to attend the meeting.

## **3. New items for Maintenance Committee review**

### **a. In person meetings vs ZOOM meetings**

A preference for continuing Building Maintenance Committee meetings via Zoom was expressed by all participants in the meeting.

### **b. New members for Maintenance Committee**

The committee requests that Lauralee Barbaria, Director for Projects 27, 31 and 32, be

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

added as a member of the Building Maintenance Committee.

Clayton Clark provided the following report:

*For the month of December 2022*

**Project 23**

- ❖ **Review of SB 326 report for next year's work.**
- ❖ **Reviewing hot water slab leak at 1121 AS.**

**Project 26**

- ❖ **1501 Pt rehab:**
  - **Conducted inspections of 3-story buildings with FWC for SB326 inspection portion. Follow up inspections with FWC for further investigation.**
  - **MOD rehab of 1501 Ptarmigan in Phase 3.**
- ❖ **Looking into plastering pool instead to save costs.**
- ❖ **Resolving elevator issues at 1621 Ptarmigan**
- ❖ **Collection issue at resale at 1501 Pt involving many departments to resolve.**
- ❖ **Rat issues at 1621 Pt under review.**

**Project 27**

- ❖ **Rehab completed. A roof section will be repaired next year along with a roof in Project 31.**

**Project 31**

- ❖ **2733 Pt roof section will be repaired in 2023.**
- ❖ **SB 326 report received.**

**Project 32**

- ❖ **Looking into gutter guard test.**
- ❖ **SB 326 inspection report received.**

**Project 33**

- ❖ **Pricing out painting per Entry 9 request for 2023, as well as paving.**
- ❖ **Repaired a deck section at 4024 TGR. Deck follow up will be done later in 2023**

**Project 34**

- ❖ **No action to report.**

**Project 35**

- ❖ **No action to report.**

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

**Project 36**

- ❖ **Resolving rain leak issues at 2105 CC.**
- ❖ **Resolving owner alteration claim at 2175 CC.**

**Project 37**

- ❖ **No action to report.**

**Project 38**

- ❖ **No action to report.**

**Project 42**

- ❖ **No action to report.**

**Project 44**

- ❖ **No action to report.**

**Project 45**

- ❖ **Completed work at 3386 RP minor siding replacement.**
- ❖ **Assisting with collection issues.**

**Project 49**

- ❖ **1614 SD painting near completion.**
- ❖ **Looking into new entry signs consistent with Entry 5 SD, recently completed.**
- ❖ **Completion of elevator phone service issue.**

**Project 51 A:**

- ❖ **4243 TGR-rotten roof beams under review. No action to report.**

**Project 51 B:**

- ❖ **No action to report.**

**Project 54: Estimating signage for Entry 6 consistent with newly installed sign on Entry 5.**

**Project 64**

- ❖ **Fire sprinkler reporting is being changed to more “cloud-base” as inspection reports are uploaded to database.**

**General:**

1. **Continue to review work orders-accounting processing. Will help in Jenark conversion.**

*End of report.*

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

**Landscape Committee**

Jerry McNair provided the following report:

**The Landscape Fire Safety Committee** has developed a framework improving our fire safety with the following goals:

1. Work with GRF regarding their current activities of removing hazardous plants, limbing up trees to 8 feet and the annual weed removal on our hillsides.
2. Initiate a prototype FireWise USA project to update homeowners on what we all need to do to protect our homes.
3. Identify and prioritize actions to reduce ignition risks to our homes.
4. Investigate how we can use Zone 0 requirements as part of our fire risk reduction efforts.

The FireWise USA® recognition program provides a collaborative framework to help neighbors in a geographic area get organized, find direction, and take action to increase the ignition resistance of their homes and community and to reduce wildfire risks at the local level. The Firewise USA® program is administered by NFPA® and is co-sponsored by the USDA Forest Service and the National Association of State Foresters. While the NFPA® administers this program, individuals and communities participate on a voluntary basis.

Defensible Space Zone 0 in California. Zones 1 and 2 currently make up the 100 feet of defensible space required by California law. Assembly Bill 3074, passed into law in 2020, requires a third zone for defensible space. This law requires the Board of Forestry and Fire Protection to develop the regulation for a new ember-resistant zone (Zone 0) within 0 to 5 feet of the home by January 1, 2023, for specified high-fire hazard areas. This zone includes the area under and around all attached decks and requires the most stringent wildfire fuel reduction. The ember-resistant zone is designed to keep fire or embers from igniting materials that can spread the fire to our homes.

**The Landscaping Maintenance Committee** is working with John Tawaststjerna to review our current maintenance and arborist contracts.

**The Landscaping Water Conservation Committee** is looking at different ways in which we can save water. For example, it is important to educate residents about the water savings we can achieve by changing plant selection to low water or very low water use plants (saves 40% to 50%) or adding 1" of mulch (saves up to 25%).

**Governing Documents Committee**

Les Birdsall provided the following proposal from the Governing Documents Committee:

We've spent several months reviewing various CC&Rs, Bylaws and Policies that needed to be revised because of changes in the law, changes within the mutual, and responses to the

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
ZOOM MEETING AND IN-PERSON  
BOARD ROOM – GATEWAY  
1001 GOLDEN RAIN RD  
WALNUT CREEK, CA 94595

IDR that was filed.

We now have a package that is being reviewed by the Mutual's attorney. When that is finished, they will be shared with you and ask for your approval to submit them to the members.

There are 3 CC&R changes  
There are 11 Bylaw changes  
There are 6 Policy changes

There is one area that I hope you will address today. Because some projects/districts have left mutual 3 the number of districts has changed from 11 to 9.

CC&R 1.26 lists 11 Districts  
Bylaw 6.2 has 9 Districts and has been re-written to explain how districts can be changed.

We changed both CC&R 1.26 and Bylaw 6.2 so they would be consistent.

There are now 9 districts, and 3 directors should be elected each year for a 3-year term

However, as it stands now, there will be:

2 directors to be elected in 2023: Tom Lauck and I

3 directors to be elected in 2024: James McFarland, John Swearingen, and Marty Schwager

4 directors to be elected in 2025: Mike Abel, Nan Warren, Laura Lee Barbaria and Bill Leary

We have an opportunity now to change this so there will be 3 directors elected each year thanks to Bill Leary. Bill was not elected but appointed by the Board for District V. He has volunteered, if the Board approves, to be director for this year ending in 2023. He would then run for director of District V and his term would end in 2026. That way it will continue to be balanced with 3 elections every year.

Les Birdsall moved that the Board approve moving Bill Leary's end of term to 2023, Mike Abell seconded, and the motion carried unanimously.

**Moved, Seconded, Carried 9-0**

**Alteration Permit Application Review**

No report presented.

**Communication Committee**

No report presented.

**Emergency Preparedness Committee**



THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
ZOOM MEETING AND IN-PERSON  
BOARD ROOM – GATEWAY  
1001 GOLDEN RAIN RD  
WALNUT CREEK, CA 94595

No report presented.

**Dispute Resolution Committee:**

No report presented.

**Trash Committee – AD HOC**

No report presented.

**Old Business**

- a) No Old Business.

**New Business:**

- a) Status of Outstanding accounts receivable: *See Treasurers report.*
- b) Board Resolution approving the 2022 INTERFUND balance repayment and approval of 2023 INTERFUND reserve loan to fund insurance payments for each Project
  - i. A motion was made to repay the balance that was borrowed from the Reserve account at the beginning of the year to pay for the 2022 insurance premiums per project.  
**Moved, Seconded, Carried 9-0**
  - ii. A motion was made to approve borrowing money from the Reserve account to Operating in order pay for the 2023 insurance premiums for each project. The amounts will be disclosed to residents once MOD Accounting knows the final numbers.  
**Moved, Seconded, Carried 9-0**

**Announcements**

The next scheduled meeting will be held on Monday, January 9<sup>th</sup>, 2023, at 9 am in the Board Room at Gateway and on Zoom.

**Adjournment to Executive Session**

There being no further business, the Regular Meeting of the Board was adjourned at 9:40 am and the Board moved into executive session.

**Executive Session Summary**

The Board met in executive session from 9:54 am to 10:35 am to discuss member matters, delinquent accounts, liens, foreclosures, and IDR matters.

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, DECEMBER 12<sup>th</sup>, 2022, AT 9:00AM  
ZOOM MEETING AND IN-PERSON  
BOARD ROOM – GATEWAY  
1001 GOLDEN RAIN RD  
WALNUT CREEK, CA 94595

**Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the minutes of the Board of Director's meeting.

Lucy Limon

---

**Assistant Secretary**

Third Walnut Creek Mutual