

THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD
MONDAY, DECEMBER 9, 2019 AT 9:00AM
BOARD ROOM, GATEWAY COMPLEX
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

Call to Order

President Rothman called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 8:58 a.m.

Roll Call

Directors Present:

Arylss Rothman, President Dist. IX, (2022)	
Gery Yearout, VP Dist. XI, (2021)	James McFarland, Director Dist. III, (2021)
Matt Kaplan, Treasurer Dist. V, (2022)	Nan Warren, Director Dist. XIV, (2022)
Marilyn Mason, Secretary Dist. XV (2022)	Chuck Decker, Dist. X, (2021)
Kay Barthold, Director Dist. XIII, (2020)	John Swearingen, Director Dist. VII, (2021)
Poppy Tanner, Director Dist. IV, (2020)	Toby Dicker, Director Dist. VIII, (2020)

Also Present: Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Rick Chakoff, Chief Financial Officer; Clayton Clark, Building Maintenance Manager; Melissa Ward, Board Counsel and Lucy Limon, Administrative Assistant.

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. Topics discussed included: delay of CC&R's petitioning process, Voting & Election rules and P40 & 41 disengagement.

Approval of Meeting Minutes

President Rothman asked for any corrections and/or additions to the following minutes:

- a) Regular Meeting MinutesNovember 18, 2019
- b) Executive Meeting MinutesNovember 18, 2019

The aforementioned meeting minutes were approved as presented.

Moved, Seconded, Carried 10-1 (Swearingen Abstention)

President's Report

President Rothman reported that not many Mutuals in Rossmoor have EP committees. She emphasized how important the EP committee has been to TWCM. She spoke about the incident in which a resident in Rossmoor was keeping a generator in the kitchen and stated that no Mutual in Rossmoor has a policy concerning hazardous materials. Rothman briefly discussed the issues that members of TWCM are having with the proposed Voting and Election rules. It was also reported that there is no current policy regarding resident neglect.

Secretary's Report

No report was given.

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Finance Committee Report and Treasurer's Report

Treasurer Kaplan gave the following Report:

Treasurer Report: December 9, 2019

This report is based on the TWCM financial report for October 2019. As of October 31, 2019, the TWCM bank balance was \$20,789.

TWCM payments in October, was \$53,128, allocated correctly to the projects.

Republic Services was \$43,161 (2 payments, for Sep. and Oct.). MOD recycling was \$5,280. Legal payments were \$1,550, with \$1,332 to Hughes, Gill, and Cochrane, and \$218 to Ann Rankin. Trash enclosure cleaning was \$2,871. Misc. payments totaled \$266.

TWCM Owner Billables (amounts owed by owners to their project) as of September 30, 2019 was \$100,113.

TWCM Assessments (Coupon) owed as of September 30, 2019 was \$34,086.

Be advised that the TWCM projects have two separate EBMUD costs. First is the obvious cost for water usage as measured by common meters. This includes both landscape watering and in-unit use. Second is the cost for separate fire service water lines. Most of the time, there is no usage in these lines. However, EBMUD has a flat service charge for this. It is billed bi-monthly, and is over \$500. This service charge can vary among projects, according to EBMUD, based on the diameter of the water line feeding the project.

- a. **Motion that the Mutual Funds Report has been reviewed by the Treasurer and all Directors:** The motion was made for the October 31, 2019 Mutual Funds Report.
Moved, Seconded Carried 11-0
- b. **Motion that all Directors have reviewed their Project Specific Financials:** The motion was made for all Project Specific Financial Reports ending on November 31, 2019.
Moved, Seconded Carried 11-0

Rick Chakoff, Chief Financial Officer about issues regarding the renewal of Director and Officer insurance for TWCM. He stated that the Board should meet with John Tastor from AJ Gallagher to discuss this matter.

A motion was made to address D&O insurance with John Tastor on December 16, 2019 at 1pm.
Moved, Seconded, Carried 11-0

Building and Maintenance Committee

Kay Barthold reported that the committee is currently reviewing the electrical policy. It was also reported that the building committee is to present a policy for front door colors other than the ones approved during rehab at the next Board meeting.

Landscape Committee

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Gery Yearout reported that there were 3 Terra Landscape walk throughs this year. The inspections are setup to be quarterly, 2 entries at a time. She informed the Board that Rebecca Pollon created an evaluation sheet to meet the criteria they were inspecting. The idea of these evaluation sheets was to highlight areas that were consistently low. After grading the walkthrough Rebecca then communicates the score to the landscape committee and Terra Landscape. President Rothman presented suggestions on how to improve or toughen the evaluation sheets. Rothman also encouraged directors to join the committee.

The Board made a motion to review 2 projects every quarter.

Moved, Seconded, Carried 11-0

A staff report by Steve Ormond was provided in the Board Packet.

Governing Documents Committee

Kay Barthold reported the following: The committee is reviewing the building maintenance process. She reported that the committee will looking to come up with a policy regarding flammables with an attorney. Melissa Ward is to work with the committee on this matter.

Alterations Permit Application Review Committee

The committee had no report to give this month.

Communication Committee

The committee had no report to give this month.

Emergency Preparedness Committee

President Rothman reported that there will be a January meeting. More information to come.

Budget & Finance/Audit Committee

The committee had no report to give this month.

New Business

- a. **SB 323 Adoption Meeting:** The Board discussed their concerns with different sections of the newly proposed voting and election rules. In particular the Board had issues with the section on equal access and acclamation. Melissa Ward answered questions from Board members regarding the Voting and Election rules. A meeting to adopt the new voting and election rules will take place December 31, 2019 at 10 am in the Board Room at Gateway.
- b. **2020 Calendars:** A copy of the completed 2020 calendar was included in the board packet.

Old Business

- a. **ADR Update:** Melissa Ward reported that TWCM prevailed on all claims. It was stated that the contrary party brought additional claims, to which Judge James has decided she will not change her verdict. TWCM has completed another round of briefing and it is anticipated that Judge James will finalize the arbitration award soon.

Next Board Meeting

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The next Regular Meeting of the Board is scheduled for Monday, January 13, 2020 @ 9 a.m. in the Gateway Board Room. Special Meeting of the Board to adopt SB 323, December 31, 2019 at 10 am in the Board Room at Gateway.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 10:55 a.m. and the Board moved into Executive Session.

Executive Session Summary

An Executive Session was held immediately following the regular meeting where the Board discussed a variance request and held a disciplinary hearing.

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.

Respectfully Submitted,

Lucy Limon
Administrative Assistant