

THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD WEDNESDAY, MARCH 25, 2020 AT 10:00AM ZOOM VIDEO AND CONFERENCE CALL MEETING

Call to Order

President Rothman called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 10:02 a.m.

Roll Call

Directors Present:

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

Directors Absent: Poppy Tanner, Director Dist. IV, (2020)

Also Present: Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Rick Chakoff, Chief Financial Officer; Clayton Clark, Building Maintenance Manager; and Kelly Maki, Board Services Coordinator.

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. Topics discussed included: Second Hand Smoke Ordinance enforcement and status of the CC&R petitions.

Approval of Meeting Minutes

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

- a) Regular Board Meeting Minutes February 10, 2020
- b) Executive Session Meeting Minutes February 10, 2020
- c) Special Meeting Minutes..... February 18, 2020
- d) Special Meeting Minutes..... February 28, 2020

A motion was made to amend the February 10, 2020 minutes by adding the following under New Business:

CORRECTION/ADDITION -

a. Claims Mitigation Committee: In December the Board appointed Chuck Decker, Marilyn Mason, Nan Warren and Arlyss Rothman to form the Claims Mitigation Committee. This committee's intention is to identify means to mitigate liability on behalf of TWCM as required by the provider of the 2020 D&O Policy.

Moved, Seconded, Carried 9-0-1, Director Landeros Abstained

A motion was made to approve the February 10th Executive Session Minutes.

Moved, Seconded, Carried 9-0-1, Director Landeros Abstained

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A motion was made to approve the February 18th Special Meeting Minutes.

Moved, Seconded, Carried 8-0-2, Directors Barthold and Landeros Abstained

A motion was made to approve the February 28th Special Meeting Minutes.

Moved, Seconded, Carried 8-0-2, Directors Barthold and Landeros Abstained

President's Report

Arylss Rothman reported on the most recent President's Forum. Fourth Mutual has conducted a study of hard surface flooring sound transmission that was done with a professional audio engineer. That study will be shared with the board once it is received by Fourth Mutual President, Vickie Swisher.

Secretary's Report

The secretary had no report to give this month.

Finance Committee Report and Treasurer's Report

Treasurer Kaplan gave the following Report:

Treasurer Report: March 25, 2020

This report is based on the TWCM financial report for January 2020. As of January 31, 2020, the TWCM bank balance was \$29,149.

TWCM payment in January, was \$44,040 allocated correctly to the projects.

This was paid to Arthur J. Gallagher, \$25,470 for D&O Insurance Renewal, and \$18,570 for the ERP extension.

TWCM Owner Billables (amounts owed by owners to their project) as of January 31, 2020 was \$125,916.

TWCM Assessments (Coupon) owed as of January 31, 2020 was \$44,681.

- a. **Motion that the Mutual Funds Report has been reviewed by the Treasurer and all Directors:** The motion was made for the January 31, 2020 PRELIMINARY Mutual Funds Report.
Moved, Seconded Carried 10-0
- b. **Motion that all Directors have reviewed their Project Specific Financials:** The motion was made for all Project Specific PRELIMINARY Financial Reports ending on January 31, 2020.
Moved, Seconded Carried 10-0

Building and Maintenance Committee

Kay Barthold reported on the last building maintenance committee meeting held on March 5, 2020:

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Clayton Clark made an interesting and informative presentation to the committee regarding "Ducts and Vents". The primary focus was on the accumulation of lint in dryer vents, especially the rooftop vents, and how they can be cleaned.

In the past, Welcome Building Maintenance has cleaned dryer vents, but now Welcome will only do this from the inside of the unit, cleaning the vent with suction from the bottom. They will not allow men to go up on the roof.

However, Clayton advised that All Bay Heating & Air Conditioning will do dryer vent cleaning from both inside the home, as well as going up on the roof and cleaning the roof cap and upper section of the vent.

Clayton obtained pricing from All Bay and there is a discount for multiple units within the same building:

Single unit vent cleaning (both inside and roof cleaning)	\$185.00
Upstairs/downstairs vent cleaning (both inside and roof cleaning)	\$150.00 (each unit)
Whole building vent cleaning (both inside and roof cleaning)	\$125.00 (each unit)

Landscape Committee

Gery Yearout provided the following report:

The landscape company is working with reduced staff due to the Shelter in Place order for the county. Only essential services are being performed. Mowing is suspended until it is deemed essential. Rehab work has been put on hold and it is currently undetermined when it can start again.

Paul Donner stated that fire abatement work has been deemed essential and will continue.

Governing Documents Committee

Kay Barthold reported on the last governing document committee meeting that was held on February 25, 2020:

Kay Barthold, chair, advised the committee that the Asbestos Requirements Form that, starting in 2015, MOD has required all TWCM owners to sign prior to submitting an Alteration Application is no longer required. This form required owners to have an asbestos test prior to the start of an alterations project and submit the results to the Alteration Department when applying for an alteration permit. It also required that remediation be done by a licensed contractor registered with the state as an approved asbestos contractor.

Third Mutual's legal counsel, Mr. Fong, recommended that Third Mutual instruct MOD to cease requiring this form because there is no legal basis for these requirements, and continued enforcement puts Third Mutual at risk for litigation.

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The committee discussed next projects and established a priority listing of both needed new Policies and current Policies that need updating.

President Rothman announced that the Board received a proposed, updated Policy 64 – Power Sources from their attorney Richard Fong. She discussed the advice of counsel to add a requirement that the owner have liability coverage. A motion was made to send the revised policy to the members for a 28-day comment period.

Moved, Seconded, Carried 10-0

The revised policy 64 – Power Sources will be mailed with revised policy 78 – Outdoor Barbecues, new policy 94 – Exterior Paint Color Selection, and new policy 95 – Changing the Paint Color of a Front Door to all members for a 28-day comment period. The revised and new policies will be voted on for adoption during the May 11th Board meeting.

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

The committee had no report to give this month.

Old Business

- a. **Formation of Dispute Resolution Committee:** The board reported that an article was published in the Rossmoor News to gather volunteers. 12 owners and 1 non-owner have volunteered to serve on the committee. Training for the committee was discussed and will be researched further. The Shelter in Place order has temporarily closed many organizations that would provide training.

New Business

- a. **Discuss Creating a Smoking Policy:** The board discussed the need to create a smoking policy. The discussion included the difficulties resident's have when reporting a violation to the City of Walnut Creek; that any designated smoking area would be common area which is not allowed per the WC Second Hand Smoke Ordinance; the need for signage; that smoking in the Mutual is considered a nuisance per the governing documents.
- b. **Discuss Hard Surface Flooring Report by Fourth Mutual:** The board tabled this item as the report from Fourth Mutual President, Vickie Swisher has not been received yet.
- c. **Discuss Suspending Remodeling:** The Board discussed that owner complaints have been received for any construction that is continuing during the Shelter in Place. Paul Donner reported that construction that is considered essential can continue and the MOD staff is following County and State directives for all resident's safety. He also stated that resident remodeling projects that are already in process would be allowed to continue, but the alterations department is currently not taking any new permit

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applications and is closed to foot traffic.

Next Board Meeting

The next Regular Meeting of the Board is scheduled for Monday, April 13, 2020 at 10:00 am via Zoom video/conference call.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 11:28 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 lease extension request and member discipline.

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.



Assistant Secretary

Third Walnut Creek Mutual