

THIRD WALNUT CREEK MUTUAL

Regular Board Meeting Minutes

Monday, December 9th, 2024, at 9:30 a.m.

Zoom and In Person

Board Room at Gateway, 1001 Golden Rain Rd. Walnut Creek, CA 94595

MINUTES

1. Call to Order

President Tom Lauck called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 9:34 a.m.

2. Roll Call

Directors Present: Tom Lauck, President, Dist. 4 (2026)
Florence McConnell, VP, Dist. 13 (2026) Bill Leary, Secretary, Dist. 5 (2026)
Mike Abell, Treasurer Dist. 9, (2025) Harvey Baumel, Director Dist. 3, (2027)
Adrian Byram, Director Dist. 7, (2027) Nan Warren, Director Dist. 14, (2025)
Lyman Shaffer, Director, Dist. 10 (2027) LauraLee Barbaria, Director Dist. 15, (2025)

Staff Present: Jeroen Wright, Director of Mutual Operations
Todd Arterburn, Chief Financial Officer
Clayton Clark, Sr. Building Maintenance Manager
John Tawaststjerna, Landscape Manager
Lucy Limon, Board Services Coordinator

3. Approval of Meeting Minutes

President Lauck addressed the Board for any corrections and/or additions to the following sets of minutes:

- | | |
|------------------------------------|---------------------------------|
| a. Regular Board Meeting Minutes | November 8 th , 2024 |
| b. Executive Board Meeting Minutes | November 8 th , 2024 |
| c. TWCM Budget Meeting Minutes | November 8 th , 2024 |

Adrian Byram made a motion, seconded by Nan Warren, to approve the aforementioned meeting minutes.

Moved, Seconded, Carried 9-0

4. President's Report

President Lauck provided the following report:

Jeroen Wright presented Electronic Voting requirements in Common Interest Development elections per AB 2159 which takes effect in January 2025. Mutual members who want to vote by electronic secret ballot must provide a valid email address and opt in or opt out of electronic voting 90 days before an election. Those who opt out must be sent a mail-in ballot. GRF/MOD will be reviewing inspectors of elections procedures for compliance with electronic voting. I will discuss Board requirements with respect to governing document revisions in New Business.

Eric Loranger, GRF IT Manager, reviewed GRF cybersecurity measures, which include state of the art security systems and remote servers in Las Vegas used for backing up local systems daily. Security

THIRD WALNUT CREEK MUTUAL

also includes encrypted cloud storage for secure data. Connections to remote servers in the cloud or in Las Vegas are readily available to retrieve data as needed for continuous operation of critical data systems.

Todd Arterburn, GRF CFO, reviewed status of Net Suite implementation. System is on track for January 1st roll out. Tasks to be completed in December for January 1st roll out are also on track.

Jeff Matheson discussed a planned visit to Laguna Woods scheduled for January to review their property coverage limit versus their total insurable value. Currently their property coverage is approximately 15% of their total insurable value versus our coverage of approximately 43% of total insurable value. Discussion with the Insurance Task Force will inform how we address our insurance issues in future budgets.

Bob LaSala, current president of Mutual 61 and leader of negotiating team for the Presidents Forum on the new Management Agreement, gave a status report on the review of the agreement with GRF represented by Jeff Matheson, Jeroen Wright and Todd Arterburn. Plan is to complete review with GRF in March/April timeframe, leaving time in April and May for Mutual Boards to review the agreement internally and with their attorneys, with a goal of adopting and signing the agreement by June 1st. The new agreement may result in some additional management costs that would be reviewed as part of the budgets starting in June 2025.

Roz Reiter, president of Mutual 30, discussed creating a list of contractors available for work with Mutuals based on good experiences reported by other Mutuals. This list would be in addition to the favored contractors recommended by MOD. Details not worked out on how this list will be developed and shared but generally agreeable to all.

5. Secretary's Report

No report was given.

6. Treasurer's Report

Mike Abell provided the following report:

December 9, 2024 TWCM Treasurer's Report:

The annual report compiled and distributed by MOD arrived at my house and others on November 30. The annual filing including the 2023 audit report and financials for each Project have not been received as of 12-03.

I recommend changes to the annual resident budget meeting format. 10 residents attended the session on November 14. The meeting came across more mechanical and less insightful.

November maturing investments were not all processed in November. We are still waiting for recommendations from GRF regarding changes to our primary bank.

TWCM outstanding coupon balance as of 10-31 is \$32,161.

During November the Helsing assessments for our projects were published and provided to residents.

THIRD WALNUT CREEK MUTUAL

Our position from last year has slipped. See summary below:

I have recently looked at the Helsing data for each Project in TWCM. Here is a quick recap of their findings:

P 23 No
P 26 No
P 27 Y/m
P 31 Y/m
P 32 Y/m
P 33 Yes
P 34 Y/m
P 35 Yes
P 36 Y/m
P 37 Yes
P 38 Yes
P 42 Y/m
P 44 Yes
P 45 Y/m
P 49 No
P 51-1 Yes
P 51-2 Y/m
P 54 - No
P 64 Yes

Overall – our 19 projects have been reported to our residents as:

4 = No
7 = Yes
8 = Y/m

We will continue to see coupon pressure either from insurance or strengthening reserves – short of a miracle. Clayton will coordinate a meeting with Helsing in February 2025 to discuss the timeliness of their data along with the reality that their recommendations and our building mgr’s plan are not synchronized. Unfortunately, the Helsing data is more mechanical than helpful.

Last but not least – Jenark will soon be replaced. We all have a sense of angst and hope.

- b. A Motion that Mutual Funds Report has been reviewed by the Treasurer and a summary provided to all Directors:

Mike Abell moved, Florence McConnell seconded, Carried 9-0

- a. A Motion that all Directors have reviewed their Project Specific Financials:

Mike Abell moved, Florence McConnell seconded, Carried 9-0

7. Committee Reports

a. **Governing Documents Committee**

Report from the Gov Doc – Florence McConnell

Florence submitted the following report:

THIRD WALNUT CREEK MUTUAL

The Committee did not meet in November but did prepare the documents to be sent to residents on the change in the CC&R rental/lease provisions to be voted on by the members and the revised Policies to be sent for the required 28 day review. The cover letter provided a list of the changes and the reasons for the changes and the new provisions are clearly stated in an attachment.

These documents were sent to Legal Counsel – he responded with one comment to add a time frame for individuals on the waiting list. Once notified they will have 15 days to respond to membership and another 90 days to submit paperwork. Tom will be reviewing these documents under new business.

Florence McConnell made a motion, Tom Lauck seconded to approve the above addition as recommended by legal counsel.

Moved, Seconded, Carried 9-0

On Policy 61, the Committee requested Adrian review the provisions in the application for submission between MOD and Walnut Creek. A revision in the process was agreed upon and the policy has been revised.

Adrain will discuss this, and if the Board agrees, Policy 61 can be included in the packet to be sent to residents.

b. Building Maintenance Committee

Clayton Clark provided the following report:

For the month of December 2024

Project 23

- **925 Cleaners janitorial service going well. Elevator room floor will take more passes of cleaning to move staining for grouting.**
- **The community room thermostat is becoming difficult to adjust and looking into replacement. A timer was requested to avoid unnecessary heating of the room after parties have left.**
- **Bid for 1129 AS pending from AMAC who is performing same at 1621 Ptarmigan.**

Project 26

- **Waiting for county direction on pool chemical controller requirements. No action to report.**
- **AMAC is 40% completed at 1621 pt**
- **AMAC completed 1683, 1679 and 1675 Ptarmigan rehab. Painting and deck coating will follow.**
- **New electrical light at Entry 8 Ptarmigan.**
- **MOD has deferred painting requests for Entry 8 and 9 due to rehab in 2026**

Project 27

- **Re-roof replacement on hold due to City WC upgrade requirements.**

Project 31

- **Staining completed on new fences.**

THIRD WALNUT CREEK MUTUAL

Project 32

- Paving repair in front of 2516 Ptarmigan approved and waiting on schedule.

Project 33

- MOD repaired trash enclosure fences and waiting on painting price.

Project 34

- No action to report.

Project 35

- MOD quoting small SB 326 inspection repairs railing and support posts.

Project 36

- No action to report.

Project 37

- 2130 Cactus Court-Hot water slab leak correction this month.
- 1905 Cactus Court-Leak under review.

Project 38

- Working on unapproved alteration ramp correction with owner. City of WC permit required. Painting of structure due to light reflectivity included.
- Issue with flooring cracks resolved at 965 TCal.
- Issue with HVAC discussed at 925 TCal.

Project 42

- 606 TCal Deck coating being scheduled.
- Electrical lighting issue at 622 Tcal addressed.

Project 44

- 3142 RP contract approved along with special inspection requirements. Next step, is getting City of WC permit.
- Illegal solar panel battery installation at 3024 RP under review. No action to report.
- Reviewing electrical installations at some carports and damage to inside of carport. Wheel bumpers have been moved and need to be relocated to prior locations. No action to report.

Project 45

- Entry 8 Rossmoor Parkway rehab:
 - Painting and deck coating will start this month.
 - Deferring alteration roof with owner at 3612 RP due to no response.
- Will ensure all billing for 2024 completed.
- Discussion of alteration roofs for lower floor units.

Project 49

- Drafting pump station improvement contract for 2025 work. As time permits.
- Rehab of 1766 SD month by AC Enterprises, and under observation by FWC engineers.

THIRD WALNUT CREEK MUTUAL

- Looking to completing this month on 4 side.
- Working on alternative for privacy lattice fence with sheetmetal.
- Following up with KR Electric on electrical panel inspections.
- 1710 SD balcony gutters will be installed this month. Paint touchup in 2025 by others.
- Elevator Pit at 1824 SD filled with water during recent storm. Drain clogged with roots. Frequent annual cleaning is recommended.

Project 51 A:

- Painting completed in Entry 13 TGR but some front doors remain.

Project 51 B:

- Review of balcony rails in Entry 16 TGR. #715044 created for MOD painter to investigate in October but no action so far.

Project 54:

- 1412 SD carpentry this month.
- Investigating hard-wired detectors. Need to know where carbon-monoxide detectors will be requested.

Project 64

- Fire sprinkler heads will be inspected as part of resale inspections due to inadvertent painting. Painted heads will need replacement as this impedes their functionality.

General

- Elevator alarm panel review underway for pricing of annual service. Last done 2021,
- The county fire department looks to complete all inspections this month. 4 inspectors creating different reports. As time permits in early 2025, this can be followed up.
- Fire extinguisher inspection class being scheduled for interested parties

c. Landscape Committee

We have formed a new committee to review our landscape maintenance. Harvey Baumel and Joanie Engdahl have agreed to participate on the committee with me and we will be adding at least two other members to the committee. We will be taking a look at what's working and what's not working. Are there any additional maintenance services we should be considering? Do we need to make any changes to our current maintenance contract?

The news landscape reps notebook which will be given to all incoming representatives is currently being reviewed by several reps before it is completed.

I will be meeting with the communications committee regarding our policies on residents placing pots and plants in the landscape and also on the Zone 0 firescaping regulations.

Landscaping Chair meetings are continuing and the information we are sharing has been very helpful and identifying common issues and helping to establish our priorities.

THIRD WALNUT CREEK MUTUAL

A reminder to all of us that a firesafe landscape is identified by the Board of Forestry and fire prevention as one that is kept well-maintained, is well irrigated, has a low sap of resin content, and grows close to the ground.

d. **Emergency Preparedness Committee**

Fran Gibson provided the following report:

Four Free COVID Home Tests:

Four free home Covid-19 antigen tests are now available to order at [COVIDTests.gov](https://www.covidtests.gov), part of the seventh round of the federal government's Centers for Disease Control (CDC) complimentary Coronavirus test distribution program.

The four free Covid tests are per address and not per person. Covid infections are still occurring in Rossmoor and residents should consider wearing masks in all large inside gatherings. CDC reports that paper and cloth masks are wholly inadequate now to prevent Covid infections given the wilier and stronger mutations of the current Covid pathogen. Residents are encouraged to wear either N95 masks or N95 masks with a respirator vent to prevent Covid infections. No other type masks provide protection against a Covid infection — both type masks can be bought at Ace Hardware or on-line.

An N95 mask with a respirator vent is the only type mask Rossmoor residents should wear in wildfire smoke conditions when evacuating. Residents are encouraged to keep N95 type masks (with and without a respirator vent) for each member of the household in their car at all times as well as at home.

Although this round of test orders has been going on for only a month-and-a-half, some people have reported worrying that some tests they have received are nearing their expiration date. The U.S. Food and Drug Administration (FDA) encourages people to check their website (www.fda.gov) for Covid test date expiration extensions before tossing out perfectly good Covid tests.

The FDA defines shelf life as “how long the test should work as expected from its date of manufacture”. Dr. William Shaffner (Infectious Diseases Professor, Vanderbilt University Medical Centers) states some Covid tests can continue to function perfectly well for up to a year after their expiration date printed on the test itself, assuming the tests have not been abused or left out in the sun.

The FDA recommends 2 negative Covid test readings for people with symptoms and 3 for those who have been exposed to infected people but show no symptoms, to be performed 48 hours apart in both instances.

Our Recent Spate of Small Earthquakes Hitting the Bay Area:

Third Mutual encourages all residents in our HOA to have at least two weeks supply of water, food and medications in their homes for themselves and their pets should our region suffer a major earthquake.

We live in Earthquake Country and strong temblors cause a cascade of perilous

THIRD WALNUT CREEK MUTUAL

events: collapsing buildings, soil liquefaction, landslides, avalanches, ruptured streets, downed power lines, fallen trees and widespread fires.

Immediately following a major regional earthquake, our city will most likely be under an immediate Shelter-in-Place order called by outside civil authorities and residents will not be allowed to leave Rossmoor's Main Gate to purchase the earthquake supplies they need to sustain their household for several weeks following a major regional quake. Earthquakes are Rossmoor's Number One natural hazard risk — with a probability risk twice that of wildfires!

e. Electric Vehicle Charging Committee

No report was given.

f. Dispute Resolution:

No report was given.

g. Communications Committee

Mr. Shaffer reported that the committee will put out a memo regarding the policies and CC&R changes that will be mailed to residents. He mentioned potentially having the February newsletter focus on common areas and what is allowed and what is not. He suggested also mentioning the Mutuals' effort to inspect electric panels.

h. Alterations Committee

Nan Warren provided the following report on alteration applications in the past month; 32 applications for alterations.

8. GRF Senior Staff Reports

Jeroen Wright, Director of Mutual Operations, provided the following report:

Mr. Wright discussed a spreadsheet of motions and action items from Board meetings that will soon be available on a ShareDrive. This will allow the business managers to track their commitments.

The FireWise task force has applied for the 2024-25 certification for FireWise recognition. The 2024 volunteer hours commitment has been met and it is expected we will be recertified. On January 14, 2025, from 2:00 pm-4:00 pm there will be another FireWise Town Hall at the Event Center, Everyone is encouraged to attend so that Rossmoor may continue to record volunteer hours. This Town Hall will be announced in the Rossmoor News with more details.

Todd Arterburn, CFO, Provided the following report:

Mr. Arterburn advised that the 2023 audited financials are nearly complete and will be distributed with the 2025 budget and annual report. A fiscal calendar of events (Board Meetings, report distribution dates, etc.) will soon be available on a SharePoint site. This is part of the implementation of the new NetSuite application.

9. New Business

a. Investment Actions – Mike Abell

Mike Abell made a motion, and Tom Lauck seconded to approve the maturing investments for projects 45, 38, 45, and 27 in 12-month bullet CDs at max rate available.

THIRD WALNUT CREEK MUTUAL

Moved, Seconded, Carried 9-0

- b. Electronic Voting – Governing documents revisions CC&R’s, Bylaws and Policies:
Tom Lauck gave an overview of the civil code changes regarding electronic voting. He mentioned that the governing documents will need to be amended to reflect this law change. This will be an additional task of the Governing Documents committee.

10. Old Business

- a. Hard Wood Floor Update – Mr. Byram

The Board held a lengthy discussion on what would be the best decision for hard surface flooring in upstairs units. They discussed the results of the sound studies that have been done in TWCM.

Florence McConnell made a motion, seconded by Adrian Byram to uphold the current hard surface flooring standards in upstairs units.

Moved, Seconded, Carried 8-0-1 (Nan Warren Abstained)

- b. CC&R and Policies Revisions – Mailing and Voting – Mr. Lauck

Tom Lauck made motion, seconded by Nan Warren to appoint Liberty HOA Inspections as Inspector of Elections.

Moved, Seconded, Carried 9-0

Florence McConnell made a motion, Tom Lauck seconded to approve the following change to policy change 41.3 Management of Available Rental/Lease Space:

If an Owner requests approval for a rental and the maximum number of units in the Owner’s Project is already rented, the Owner’s name will be placed on a rental waiting list and the request processed on a first-come-first-served basis.

When a lease expires in the Owner’s Project and the number of rentals is less than the 25% limit the next Owner in line at that Project will be notified by the Mutual and offered the option to submit a rental/lease application. The Owner must contact Member Records at Gateway within 15 days of receiving notification and confirm their intent to submit a rental/lease application. The Owner will be given up to 90 days to submit the completed *Request to Lease* and *Lease Agreement* forms to Member Records or the Owner will be removed from the rental/lease waiting list.

Moved, Seconded, Carried 9-0

11. Members’ Forum

Members were afforded the opportunity to express their general concerns and make comments. No Topics comments were discussed.

12. **Announcements:** The next scheduled Regular Meeting of the Board of Directors will be on Monday, January 13th, 2025, at 9:30 am, via zoom and in-person, in the Gateway Boardroom.

Adjournment



THIRD WALNUT CREEK MUTUAL

There being no further business, the Regular Meeting of the Board was adjourned at 12:14 p.m.

Executive Session Summary

The Board met in executive session from 9:00 a.m. to 9:30 a.m.:

1. Member Matters _Member Matters_Disciplinary Hearing_Account #23635
2. Member Matters _Member Matters_Write-Off_Account #14423
Moved, Seconded, Carried 9-0
3. Member Matters _Member Matters_Write-Off_Account #11165
Moved, Seconded, Carried 9-0

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