



THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES  
MONDAY, DECEMBER 11<sup>th</sup>, 2023, AT 9:30AM  
**ZOOM MEETING AND IN-PERSON**  
**BOARD ROOM – GATEWAY**  
**1001 GOLDEN RAIN RD**  
**WALNUT CREEK, CA 94595**

**Call to Order**

President Lauck called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 9:30 a.m.

**Roll Call**

**Directors Present:**

- Tom Lauck, President Dist. IV, (2026)
- Mike Abell, Treasurer Dist. IX, (2025) (zoom) Nan Warren, Director Dist. XIV, (2025)
- John Swearingen, Secretary Dist. VII, (2024) James McFarland, Director Dist. III, (2024)
- Florence McConnell, Director Dist. XIII, (2026), Marty Schwager, VP Dist. X, (2024)
- LauraLee Barbaria, Director Dist. XV (2025), Bill Leary, Director Dist. V, (2026)

**Staff Present:**

- Jeroen Wright, Mutual Operations Director
- Clayton Clark Building Maintenance Manager
- John Tawastsjerna, Landscape Manager
- Lucy Limon, Board Services Coordinator

**Members’ Forum**

Members were afforded the opportunity to express their general concerns and make comments. Topics discussed included: CC&R’s and bylaws, insurance, and financial reports.

**Approval of Meeting Minutes**

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

- a) Regular Board Meeting Minutes ..... November 13<sup>th</sup>, 2023
- b) Executive Meeting Minutes..... November 13<sup>th</sup>, 2023

Tom Lauck made a motion and Marty Schwager seconded to approve the minutes to the aforementioned Board meetings.

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

**President’s Report**

President Lauck gave the following report:

**Legislative Outreach regarding Property Insurance**

Dwight Walker, President of the GRF Board presented an update on the follow-up with County, State, and national government representatives about the insurance crisis being faced by our Rossmoor community. Letters in support of HR 3777, the Disaster Assistance Fairness Act (DAFA), addressed to



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various government representatives were provided by California State Senator Steven Glazer, Contra Costa County Supervisor John Gioia, and California Assembly Member Rebecca Bauer-Kahan.

### **Review of MOD Charges and Fees**

Jeroen Wright, Director of Mutual Operations, presented slides defining what is included in the MOD charges and fees. This included fees for Administration, Financial Services, and Property Management. Administration includes services related to Board Meetings, agendas, minutes and record keeping. Financial includes services for financial reports, assessment collections, disbursements, invoicing, tax returns, reserve studies and budgets. Property Management includes services for sales, resales and alterations. It also includes administration of contracts, and work order processing.

### **Insurance Status Update**

Proposed CC&R modifications have been received from Mutual 70's attorney. They will be distributed to the Presidents. According to Gallagher full replacement value for all of Rossmoor is ~\$2.2B. Insurance limit is expected to be \$1B. Final numbers will be available in January. Questions were raised about additional insurance coverage for community buildings, e.g. Gateway Center, Event Center, Creekside, etc. Clarification will be provided regarding property coverage, earthquake coverage, and who pays deductible for these buildings, GRF or the Mutuals.

### **Shared Deductible Agreement**

The existing shared deductible agreement, signed by 21 of 23 mutuals in Rossmoor, addresses only the insurance deductible of \$250,000. Another sharing agreement addressing costs in excess of the property insurance maximum is required and should be finalized before December 31<sup>st</sup>. Draft from Jeff Matheson, GRF General Manager, was reviewed by Mutuals 1, 2 and 3. Cost for \$1B loss, above the insurance limit of \$1B, becomes \$158,400 per manor for the 6313 manors participating in the shared deductible. Jeff Matheson was not able to attend the meeting. Presidents agreed that a meeting with Jeff was necessary to understand the proposed agreement.

### **Mutual presidents' discussion**

Mutual presidents discussed the GRF/MOD Service Level Analysis dated October 16, 2023. Presidents are requested to submit their comments on this document to Mary England, Mutual 1. Additional volunteers are requested to participate in the review, rewrite, of GRF Management Agreement. Independent third-party attorney will be retained by GRF and the Mutuals for this review.

### **Joint meeting between Presidents' Forum and Treasurers Group**

A proposal was made to meet jointly with the Mutual Treasurers' group and was finalized for a meeting with them in January. Treasurers will be invited to attend the entire meeting. An expanded agenda will be provided to include Treasurers items and Presidents Forum items.



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Mutual presidents discussed current methods used for charging fees for personal golf carts plugged into power sources paid for by the mutual or projects. Third Walnut Creek Mutual charges \$10/month per golf cart for electric usage, billed annually at \$120 in January. Other mutuals charge varying rates. All charges are billed separately through MOD accounting.

Mutual presidents also discussed occupancy of a manor by family members of deceased owners. These residents are sometimes not registered with Member Services but continue to pay the monthly coupon. This could create legal issues for the mutuals and should be addressed so that occupants become legal owners.

Lastly the mutual presidents were informed that, per the Davis-Stirling Act, condominium plans are part of the governing documents to be furnished to buyers. Third Mutual reported that we have provided these condominium plans to GRF for inclusion in their package of governing documents. We reported that our review of the governing documents posted by other mutuals found that most do not provide condominium plans.

**Secretary's Report**

No report was presented.

**Treasurer's Report**

No report was presented.

- 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**

**Managers' Report – Jeroen Wright**

Jeroen Wright reported that budgets are finalized, and residents should already be receiving them by mail. It was also reported that the Firewise committee has finalized their 3-year activity plan, and they submitted their plan to ConFire for review. The committee hopes to have recognition as of 2024. SWCM suffered a loss of about \$80k in 2021, the resident's insurer refused to be liable for the damage. SWCM will pay the first \$10k of that and the rest of the Mutuals that participate in the Shared Deductible Agreement will contribute the remaining \$70k.



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**Finance Committee Meeting**

No report was presented.

**Building and Maintenance Committee**

Nan Warren submitted the following report:

The committee met at 10:00 am on 2 November 2023 via Zoom.

Following members attended;

Duncan Carter

Nan Warren

Tom Lauck

Phil Prasek

Ken Evans

Haleh Pandejoo tried to attend, but Zoom did not advise that she was in the waiting room; sorry, Haleh. Clayton Clark, MOD Manager for Third Mutual told us of a new coating for garage/carport roofs which will save us money as opposed to reroofing the garages/carports entirely. This is a material that sticks over the roofing already in place and gives the roof longer life. He is going to give it a test as soon as he gets information from the three companies who propose to sell this material to us.

Nan gave an update on Senate Bill 326, which is a requirement that all balconies and walkways leading to condominium units be inspected every 9 years. Clayton was able to report that all such walkways and balconies in Third Mutual have been inspected by qualified personnel and were pronounced safe with minimal items to repair in good time for the 2025 requirement.

Nan reported that she had two possibilities for us to visit and listen for noise from second/third floor installations of hard surface flooring. The first is Barry Brian and his wife, (Roxanne is the contact) and the other is from Mutual 50. Nan will pursue these contacts over the next month to arrange a visit.

Salter, the acoustical firm will review the drawings we sent, but was unable to deal with them from a Dropbox site. Clayton will supply a memory stick and Nan will mail it to Salter.

Clayton Clark presented the following report:

***For the month of December 2023***

**Project 23**

- ❖ AMS selected to perform work and is approximately 50% complete.



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- Perfect Painting is following behind AMS..
- Owners will pay for alteration modifications if needed on flooring.
- MOD pricing out painting of all rear guardrails and deck trim for consideration
- ❖ Scavenger pump for the elevator to reduce oil getting into the pit approved.
- ❖ Reviewing custodial contract as recreation room was unsightly.

**Project 26**

- ❖ **1501 Pt rehab:**
  - **Near completion except.**
    - Deck coating repairs near the elevator will be done this month.
- ❖ **Chimney issue -.** Hiring another chimney contractor for another prospective to reduce smoke entering non-burning fireplace unit. **Continuing follow up with resale chimney sweep.**

**Project 27**

- ❖ **Flat roof maintenance under review. Coating and overlay considered.**
- ❖ **Gutter guard installed at 2400 Pt. 2300 Pt guard guard is broken and should be considered next on list.**
- ❖ **Gutter cleaning completed.**

**Project 31**

- ❖ **Gutter cleaning completed.**

**Project 32**

- ❖ **Gutter cleaning completed and compliment from an owner.**

**Project 33**

- ❖ **No action to report.**

**Project 34**

- ❖ **Gutter cleaning will be performed by gutter guard installed in January.**

**Project 35**

- ❖ **Temporary electrical fix by 3112 TGR requires a more permanent solution.**
- ❖ **SB 326 Balcony inspections completed and waiting on report.**

**Project 36**

- ❖ **Partial roof repair for 2105 CC scheduled for Dec 11<sup>th</sup>.**



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**Project 37**

- ❖ **Resolving trash enclosure slip and fall.**

**Project 38**

- ❖ No action to report.

**Project 42**

- ❖ **Fleece is near completion on engineered French drain installation.**
  - **Installed an additional drain at 618 TCal low spot next to golf course.**
  - **Earth berm installed to better collect golf course water.**
  - **Landscape planting will be done in 2024.**

**Project 44**

- ❖ Planning 2024 rehab.

**Project 45**

- ❖ **Fiala will be doing roof at 3612 RP rear balcony due to past leaks. Weather permitting scheduled for Dec 19<sup>th</sup>.**

**Project 49**

- ❖ Looking into additional sewer cleanouts. 1606 SD bid pending to avoid backing up inside unit. **No action to report**
- ❖ **1752 SD rehab near completion. Deck coating underway.**
- ❖ Waiting price for pump house maintenance and reserve replacement. **No action to report but continuing to followup.**
- ❖ **Elevator at 1812 SD hydraulic pump replacement approved and waiting on schedule.**

**Project 51 A:**

- ❖ 4243 TGR-rotten roof beam under review. **No action to report.**
- ❖ **MOD carpentry rehab costs within budget for rehab.**
- ❖ **Roofing completed and performing final inspection.**

**Project 51 B:**

- ❖ **Roofing contract for last 2 roofs waiting on 51-A completion. Will go into 2024.**

**Project 54:**

- ❖ 1404 SD painting will be started this month due to delays to confirm color choice.
- ❖ Gutter cleaning completed.



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**Project 64**

- ❖ No action to report.

General:

1. Staff reviewing liquid roof system for flat roofs to extend life cycles. 2 manufacturers are being considered. Dark color will be needed on visible roofs.

**Landscape Committee**

Jerri McNair presented the following report:

Our next Landscape Reps meeting will be on January 10, 2023 at 9:30 AM at Peacock Plaza.

At that meeting, we will be discussing the goals we set at the beginning of 2023 and what we have accomplished. We will be doing a detailed assessment of our accomplishments and setting up the steps we need to take in 2024 to reach those goals. Please have ready a list of changes that have been made during 2023 in your Project or area. If you have completed any turf conversions, please provide me with the approximate number of square feet that have been done.

I would like to include here some information about turf conversions that was provided to me by Lori Palmquist, who is a well-respected Bay Area Irrigation specialist and educator.

*“You can tell your fellow board members and your fellow residents that water budgets are coming. And if we don't all start gearing our landscapes now toward low-water landscapes, they will suffer and possibly die as the water budgets get tighter and tighter over the next 12 years. California is gearing up to initiate a statewide framework of water conservation that will be imposed on every urban water supplier in the state. The framework is in the public comment stage right now, and I think is planned for implementation starting the end of 2024. The water budgets will gradually grow tighter and tighter, ultimately ending at 55% of ETo by 2035. If there is any functional turf in common areas there at Rossmoor, it will eat up a good bit of that water budget. If there isn't any turf, the budget is very doable with moderate plants. So it really depends on whether there is turf at Rossmoor or not. Here's a link to the pdf that explains the proposed water conservation framework: [https://www.waterboards.ca.gov/board\\_info/agendas/2023/mar/032223\\_7\\_summary\\_of\\_reg\\_framework.pdf](https://www.waterboards.ca.gov/board_info/agendas/2023/mar/032223_7_summary_of_reg_framework.pdf)”*

*Since without turf, Rossmoor can fairly easily make any water budgets that are imposed in the years to come, I would take the angle of the cost of water. If Rossmoor were to go completely with low-water-plants, they could cut their water bill in at least half.”*





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Lori Palmquist’s class Landscape Design with Water in Mind, September 2022.

Certifications: CID (Certified Irrigation Designer), CIC (Certified Irrigation Contractor), CLWM (Certified Landscape Water Manager), CLIA (Certified Landscape Irrigation Auditor), and QWEL (Quality Water Efficient Landscaper). See also her websites, [www.puddle-stomper.com](http://www.puddle-stomper.com). and [www.waterwonk.com](http://www.waterwonk.com)

Landscape Reps have asked for guidance on how to proceed as we make the shift to more FireWise and lower water use landscaping.

For fire safety, it was suggested that we stop adding any plants to the Zone 0 space (0-5’ out from the house) until the rules are set and begin educating residents about the importance of keeping this area clean and clear. The Dept. of Forestry and Fire Prevention should be completing those soon. In the meantime, we are collecting any photos that you can send showing areas that are already fire safe and have no flammable plants within 5 feet of the building or any photos that show unsafe firescaping. Please be thinking about how you will communicate with residents in your area. Do you have email addresses for them? Is there a place where you can put information sheets that can be picked up by residents?

Enjoy the holidays and I look forward to seeing you in the New Year!!!!

**Governing Documents Committee**

Bill Leary gave the following report:

Bill Leary made a motion, seconded by Nan Warren, to appoint Florence McConnell as the Gov Docs committee chair.

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

Florence presented the following report:

May 8, 2023, Approved Policy Change. The following policy changes were approved at the May 8, 2023, Board Meeting: 57.0.0 Owner-Initiated Alterations Spas, 60.3.0 Overloading Decks and 61.0.0 Owner-Initiated Alterations Solar Energy System, Golf Ball Damage Disclaimer. We recommend these policies be sent out for the 28-day review in order to be Adopted by the TWCM Board. The policy changes can be included in the next mailing to residents.

Rental/Leasing Policy. The current policy limits unit owners to one year per lifetime of unit ownership. Our policy may not meet the “reasonable test” under the new California law if tested in a court of law.





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Recommendation would be to remove the one-year lifetime limit and add a 25% rent cap which is permissible under the law. This means the maximum number of units rented at any time could not exceed 25% of all units. The language excluding Short Term Rentals of less than 30 days will remain. The Gov Doc Committee will prepare draft documents for review by the Board.

According to Davis Stirling the CC&Rs for rental/leasing can be changed without a vote of the membership. Tom Lauck will confirm with our attorney and also ask about other changes that can be made without a membership vote.

Documents Added to the TWCM website. The Communications Department of the Rossmoor News is responsible for updating the TWCM website. Bill Leary will contact that department and request Amendment #1 to the CC&Rs be added and the out-of-date Election policies be removed.

Governing Documents Committee Mission Statement. Bill Leary will prepare a mission statement to be reviewed defining the role and duties of the Governing Documents committee.

EV Systems and Batteries. Nan Warren will contact Lauralee and Barry Bryant to discuss changes necessary to clarify our documents on these two issues.

**Alteration Permit Application Review**

No report presented.

**Communication Committee**

No report presented.

**Emergency Preparedness Committee**

Fran Gibson reported on a meeting she had with Jeroen Wright to discuss wildfire mitigation and funding potential when Rossmoor becomes accredited with Firewise. After Rossmoor is accredited a Firewise community, Jeroen will likely divide the community into 8 zones that will follow the established city evacuation zones. Third Mutal has 68 entries and 62 of those have established neighborhood EPO teams. Fran suggested to the Board that they allow the committee to mail EPO updates to TWCM residents several times a year.

**Electric Vehicle Charging Committee**

Lauralee reported on a meeting her, and Florence had with Jeroen in reference to the charging of EV's. As a result of this meeting, Jeroen shared with the alterations department on how they can do a better job informing residents. Lauralee and Florence agree that the TWCM EV policy needs updating, which the governing documents committee will be working on.



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**Old Business**

- a. Proposed Modification of Policy 24.0.0 Requirements for Insurance Coverage...Mr. Lauck  
Nine emails were received from residents on the proposed policy amendments regarding insurance coverage.

Tom Lauck made a motion, seconded by Marty Schwager to adopt the proposed policy amendments.

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

- b. Form 4041 Update.....Mr. Lauck  
President Lauck gave a brief update on the status of the data entry for form 4041.

**New Business:**

- a. GRF Civility Task Force Presentation.....Mr. Lauck

Leanne Hamaji and Ted Bentley from the GRF Board made a GRF Civility Task Force Presentation. They explained the task force’s achievements and mission.

- b. Lauralee requests a board resolution regarding the UNITED STATES TREAS BILLS ZERO CPN Maturing Dec 07th to be reinvested in a 9 -12 month CD or a 9-12 month Treasury Bill which ever has the best yield/rates.....Mr. Abel/Ms. Barbara

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

- c. Jim McFarland requests a board resolution to reinvest \$302,307 (approximately) that matures on 12-21-2023 with another 90-day Treasury bill.....Mr. Abell/Mr. McFarland

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

- d. Approval of Lien – Account #11165.....Mr. Abell

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

- e. Approval of Lien – Account #6290.....Mr. Abell

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

**Announcements**

Next scheduled meeting will be held on Monday, January 8<sup>th</sup>, 2024, at 9:30 am, via zoom and in-person.



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**Adjournment to Executive Session**

There being no further business, the Regular Meeting of the Board was adjourned at 11:44 am and the Board moved into executive session.

**Executive Session Summary**

The Board met in executive session from 11:54 am to 12:19 pm and discussed the following:

1. Delinquent Accounts:
  - Write off Account #7828
  - Write off Account #1664
  
2. Contract Formation – 2024 Shared Deductible Agreement:
  - A discussion was held in regard to the 2024 Shared Deductible.

**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*

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**Assistant Secretary**  
Third Walnut Creek Mutual