

THIRD WALNUT CREEK MUTUAL

Regular Board Meeting Minutes

Tuesday, July 14, 2025, 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 9:33 a.m.

2. Roll Call

Present:

Tom Lauck, President Dist. 4, (2026)

Kim Starr, Treasurer Dist. 7, (2027) Florence McConnell, VP Dist. 13, (2026)

Lyman Shaffer, Secretary Dist. 10, (2027) Bill Leary, Director Dist. 5, (2026)

Vacant, Director Dist. 15, (2028) Harvey Baumel, Director Dist. 3, (2027)

Directors Absent: Mike Abell, Director Dist.9, (2028), Nan Warren, Director Dist. 14, (2028)

Staff Present:

Jeroen Wright, Director of Mutual Operations

Todd Arterburn, Chief Financial Officer

Rick West, Sr. Building Maintenance Manager

John Tawaststjerna, Landscape Manager

Lucy Limon, Board Services Coordinator

3. Members' Forum

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

4. Approval of Meeting Minutes

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

a. Special Board Meeting Minutes of May 2, 2025

b. Regular Board Meeting Minutes of May 13, 2025

c. Executive Board Meeting Minutes of May 13, 2025

d. Special Board Meeting Minutes of June 3, 2025

e. Executive Board Meeting Minutes of June 9, 2025

f. Annual Meeting of the Members Minutes of June 10, 2025

g. Organizational Board Meeting Minutes of June 10, 2025

Tom Lauck made a motion, seconded by Lyman Shaffer, to approve the minutes mentioned above,

Moved, Seconded, Carried 5-0-1 (Starr Abstained)

5. President's Report

Tom Lauck gave the following report:

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Jeroen Wright, RPM Director of Mutual Operations, provided a presentation to the Presidents' Forum on Alterations and Resales Inspections procedures and reporting. This presentation can be forwarded to your email on request.

For Alterations Inspections the RPM inspections are in addition to any City Inspections for alterations requiring a building permit. Alteration permits ensure that licensed and insured contractors are doing the work in the Mutual. The permit process tracks alterations for ownership of alterations, and records unit condition in case of a property loss. City inspections ensure that building code requirements are being met. Rough alteration inspections cover electrical, plumbing, HVAC, flashing, framing, and deck enclosure details. Final alteration inspections confirm project scope of work matches alteration application and checks that site has been cleaned up after the completion of the work.

Resales inspections are required for anyone who is selling a unit in Rossmoor. These inspections ensure that the Mutual assets are being protected from unknown damages caused by the seller, to check for unpermitted alterations, and to correct the records of alterations that have been made. The building and the landscaping are inspected for compliance with the governing documents. Resale inspections are slightly different among the Mutuals. RPM is encouraging the Mutuals to standardize the process to increase efficiency for the inspections. Checklists used for condominiums and co-ops are different and checklists used for each were presented for review to encourage standardization.

Todd Arterburn, RWC CFO, reported that May financials were being completed on June 23rd, and were in fact delivered later that evening. The new form of these reports through NetSuite requires extra time for review of the information being provided, and the review seems to reveal some inconsistencies in reporting that need to be worked out.

After the RWC portion of the meeting the Mutual Presidents discussed various topics, including the ongoing work on the new Management Agreement, which includes some work on the core agreement already circulated to the Board and to the Mutual's legal counsel, and work on the Exhibits which will define the scope of work for the various departments in the RWC and RPM. How these Exhibits will be implemented may require assistance from ad hoc user groups, involving other Board members and Treasurers, in addition to the Management Agreement workgroup.

I would also like to add a brief report of the ongoing work by the Insurance Task Force from a meeting that occurred on June 25th. The Insurance Task Force met with Gallagher, our Insurance Broker for the Commercial Property Insurance package. It was decided that we should pursue potential cost savings by shifting the renewal date of the policy from January 1, 2026 to June 1, 2026, using a renewal extension from January 1, 2026 to May 31, 2026. A reduced premium will be due at the beginning of the year to cover the 5 month extension, and another full year premium will be due in June 2026 to cover the 12 month policy period starting June 1, 2026 to May 31, 2027. 2026 Budgets should be adjusted accordingly.

Other cost-saving options will be considered as renewal dates approach, e.g. amount of insurance versus property value, and change in deductible amounts.

6. Secretary's Report

No report was given.

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7. Treasurer's Report

Kim Starr began by thanking Mike for his contributions and the improvements he made to TWCM during his tenure as Treasurer. She noted that she has been meeting with Todd to get up to speed and has discussed new banking relationships. She also met with President Lauck to review several topics. Kim acknowledged the significant impact of the NetSuite transition on the community and expressed that the accounting department could benefit from additional staff support. She mentioned that she has reviewed the financials and identified some inconsistencies which she plans to discuss with Todd. She asked for patience as she settles into her new role and stated that she will provide a more complete report at the next Board meeting.

- a. A Motion that Mutual Funds Report has been reviewed by the Treasurer and a summary provided to all Directors:
No motion was made.

- b. A Motion that all Directors have reviewed their Project Specific Financials:
No motion was made.

8. GRF Senior Staff Reports

Jeroen Wright, Director of Mutual Operations: No report was given.

Todd Arterburn, CFO, provided an overview of the organization's financial management, highlighting the challenges of implementing new systems while managing existing processes. He answered concerns about delayed payments and the need for better understanding of financial reports, particularly regarding delinquent accounts.

John Tawaststjerna, Landscape Manager: No report was given.

9. Committee Reports

a. Governing Documents Committee

Florence McConnell made a motion, Lyman Shaffer seconded to appoint Bill Leary, Tom Lauck, Nan Warren and Lu Lynn De Silva as members of the Governing Documents Committee.

Moved, Seconded, Carried 6-0

b. Building Maintenance Committee

Rick West provided the following report:

For the month of July 2025

Project 23

- Painting of guardrails is being scheduled.
- Phase 2 in 2026 level 4a through 6C, and Phase 3 is budgeted from 1a through 3C....\$100K per year based on AMAC work this year on one phase.
- Proposal to remove debris in storage room submitted from custodial person. No action to report.
- Elevator alarm service bid was obtained and waiting approval.

Project 26

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- AMAC is completed at 1621 Ptarmigan guardrail work
 - Painting will follow afterwards.
- Once financials reviewed, 5 more buildings are scheduled for this year.
- Deck coating completed for 1805 Ptarmigan. Painting is unresolved as it was higher than anticipated. No action to report
- Alarm panel for 1621 and 1501 ptarmigan need service and quote submitted.

Project 27

- Reviewing concrete ditches for maintenance. Recommend more cleaning of the ditches more than once per year before winter.

Project 31

- Wood fence replacement under review due to Firewise zone-zero concerns
- Solar installation alteration under review to maintain warranty.
- Reviewing concrete ditches for maintenance.

Project 32

- No report.

Project 33

- Waiting on financials to decide on rehab due to drainage work in the winter. 4024 was scheduled along with paving.

Project 34

- Electrical panel inspections approved by KR Electric and scheduled this month.

Project 35

- Reviewed signage improvement in front of 3126 TGR.
- Pilot electrical panel inspection completed at 3109 TGR

Project 36

- MOD rehab of 3 buildings in progress.
- Review electrical panel inspections to fund with reserve plan.
- Pilot program to coat low slope roof with CertainTeed product.

Project 37.

- Electrical panel inspection review for funding in reserve.
- Roof repair under solar panel completed.

Project 38

- Director approved electrical panel inspection in her district.
- Roof moss issue will be reviewed by MOD roofing.

Project 42

- Vehicle accident impacting 622 and 626 TCal, work underway.

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- FWC provided report on 600 TCal crawl space. MOD will be making recommended repairs primarily drainage due to soil conditions under the building.
- 612 TCal scheduled for rehab 2025 after P44

Project 44

- 3142 RP Patio work underway by FWC design. Look to be completed in late June
- Pilot program of electrical inspections by Pure Electric due to an issue discovered in one of the units.
- Daniel completed water break costs with 5 star.
- Rehab 3064 and 3050 Planned for this year after P36.

Project 45

- Entry 8 Rossmoor Parkway rehab:
 - Meeting with owner on alteration roof with owner at 3612 RP. No action to report
- TARC completed for paving Entry 8.
- Entry 7 rehab bidding completed and under review. Jim Hayes is assisting with paint colors.
- Director approved main panel electrical inspections.
- Roof Replacement and Tune Up proposals

Project 49

- Pump station equipment should arrive in next six weeks.
- Director looking into carport conversions to garages and power usage.
- Director looking into new address signs from plastic to metal.
- Rehab of 1766 SD month by AC Enterprises, and under observation by FWC engineers.
- Contract awarded for work at 1752 Stanley Dollar due to sliding door leak and waiting on schedule
- Completed building panel breaker replacements by KR Electric.

Project 51 A:

- Planning on rehab of Entry 12 TGR this year.
- Electrical inspections approved and will be scheduled.

Project 51 B:

- Rear wood rail painting costs pending. 4593 obtained and waiting on 4521.
- Swallow pricing waiting approval
- Electrical inspections approved, and waiting on schedule.

Project 54:

- Inspection of 1434 Stanley Dollar to take place this month. Meeting FWC on structural beam.

Project 64

- Electrical inspections planned.
- Elevators: Improvement will be made to audible alarms for owners needing assistance at Elevator pending).
- Gutter cleaning out to bid: Specialty roofing, Welcome Bldg. and Outdoor Keepers.

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c. **Landscape Committee**

Jerri McNair gave the following report:

We are currently in year four of our five-year contract with Terra Landscape. Harvey Baumel, Joanie Engdahl and I have been meeting for the last three months to review our current contract. Our primary goals are to be sure the contract provides adequate clarity on the scope of work and delineates the lines of responsibility. Our main issues still include the 4 priorities set by the TWCM Landscape committee in 2023 of 1. Water Conservation, 2. Fire Safety, 3. Planning and Design and 4. Maintenance. The newest priority would be 5. Heat Resilience. We also have a specific list of contracts topics that will be discussed with John Tawaststjerna at Rossmoor Property Management and with Cassidy Lundin, President of Terra.

We would like the Board to consider a resolution that TWCM take the lead in gathering together all of the Landscape Chairmen in the Mutuals working with Terra so we can coordinate our priorities. We would also think it beneficial to hire an outside expert for a brief consultation to help us understand our options and contract ramifications before we go out for new contract proposals.

d. **Dispute Resolution:**

Lyman Shaffer presented the following charter:

Third Mutual Dispute Resolution Committee

The purpose of the Dispute Resolution Committee is to recruit and train volunteers who will assist in resolving disagreements between residents. The Third Mutual Board instituted this committee because the Board believes that resolving such disagreements will prevent small disputes from growing and affecting the harmony of neighborhoods.

Volunteers have been trained in Active Listening and Dispute Resolution. They have signed a Confidentiality Agreement which ensures that they will not disclose any information obtained through their service on this Committee. Volunteers have also provided a summary of their previous experience in dispute resolution.

If a Director believes that a situation exists that could be resolved through dispute resolution, he/she will contact the Chair of the Dispute Resolution Committee. The Chair and the requesting Director will review the background summaries provided by the volunteers and select the volunteer believed to have the experience most appropriate for the resolution of the conflict.

The requesting Director will then provide the selected volunteer with background information, any relevant governing documents, and any other assistance required to resolve the situation. While respecting the confidentiality of the parties in dispute, the volunteer will report to the Director if the situation has been resolved or if further effort will resolve the matter.

The Committee Chair will report to the Board on the number of disputes and their general resolution.

Lyman Shaffer made a motion, Tom Lauck seconded to accept the above Dispute Resolution charter as presented.

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Moved, Seconded, Carried 6-0

Lyman Shaffer made a motion, Harvey Baumel seconded to approve Joanna Thorne, Helen Rees, Richard Naegle and Roxanne Stallings as members of the Dispute Resolution Committee.

Moved, Seconded, Carried 6-0

e. **Communications Committee**

Lyman Shaffer made a motion, Tom Lauck seconded to appoint Carol Field, Myra Gillum, Rae James, Bill Leary, and Terry Quinlan as members of the Communications Committee.

Moved, Seconded, Carried 6-0

Lyman reported that the committee will be meeting this month to plan the upcoming newsletter. Topics under consideration include an overview of the governing documents, an explanation of recycling procedures, and a brief summary of the Dispute Committee charter.

f. **Alterations Committee**

No report was given.

10. **Old Business**

a. Status of Board-approved Investment Actions – January 2025- Mr. Abell:

The board discussed the status of previously approved investment actions from January and March 2025, which have not been followed up. Todd explained that while current interest rates are low, they are not losing money on existing investments but agreed that it would be beneficial to look at rates for longer terms. The group decided to review investment strategies across all projects.

b. Status of Board-approved Investment Actions – March 2025- Mr. Abell:

The board discussed the status of previously approved investment actions from January and March 2025, which have not been followed up. Todd explained that while current interest rates are low, they are not losing money on existing investments but agreed that it would be beneficial to look at rates for longer terms. The group decided to review investment strategies across all projects.

c. Financial Impact of Form 4041 – Policy Revisions – Mr. Lauck:

The board discussed the need for members to return their annual 4041 Form with plans for a mailing in September and potential communication in August to remind residents.

11. **New Business**

a. Policy 64 Electric Vehicle and Golf Cart Charging issued for 28 Day Comment Period – Ms. McConnell/Mr. Lauck:

Florence McConnell and Lucy to finalize this project to distribute to residents for the required 28-day comment period.

b. Response to Solicitation of Volunteers for Directors in Districts 9, 14 and 15 – Mr. Lauck

President Lauck reported that two residents, Al Rothman and Jonathan Shaffer, have expressed interest in representing District 9. Districts 14 and 15 currently have no volunteers. The Board will schedule a special meeting to interview both candidates and decide who will be appointed to the District 9 seat.

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12. Announcements:

The next scheduled Regular Meeting of the Board of Directors will be on Monday, August 11, 2025, at 9:30 am, via zoom and in-person, in the Gateway Boardroom.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 11:33 a.m.

Executive Session Summary

The Board met in executive session from 9:00 a.m. to 9:33 a.m.

1. IDR – Governing Documents Enforcement: The Board discussed the IDR process and the best approach to addressing concerns about unfair treatment. Florence McConnell made a motion, Lyman Shaffer seconded to designate Harvey Baumel to lead this IDR request with Lyman Shaffer attending. **The motion passed unanimously. 6-0**
2. Potential Litigation: The Board discussed a situation where debris stored under a balcony for five years was removed by management concluded that existing policies already prohibit such storage, though enforcement remains a challenge.

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