



THIRD WALNUT CREEK MUTUAL
BOARD MEETING MINUTES
MONDAY, MARCH 11th, 2024, 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) 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)
- Bill Leary, Director Dist. V, (2026) LauraLee Barbaria, Director Dist. XV (2025)

Staff Present:

- Jeroen Wright, Mutual Operations Director
- Tom Hand, Chief Financial Officer
- Clayton Clark Building Maintenance Manager
- John Tawaststjerna, 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: ECHO, director elections, and Civil Code 4041`.

Approval of Meeting Minutes

- President Lauck for any corrections and/or additions to the following sets of minutes:
- a) Regular Board Meeting Minutes February 12th, 2024
 - b) Executive Meeting Minutes..... February 12th, 2024

Nan Warren made a motion and Florence McConnell seconded to approve the minutes to the aforementioned Board meetings.

Moved, Seconded, Carried 9-0

President's Report

President Lauck gave the following report:

Background and Status of the Proposed Land Use Study

Jeff Matheson, GRF General Manager, gave some background information regarding the possible sale



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of two parcels for potential development mentioned in the Rossmoor News on January 17th. This proposed study is in the very early stages of development. Feedback has not been positive from the community. There will be future opportunities for further community participation in the process.

Presentation regarding Resales and Alterations

Jeroen Wright, Director of Mutual Operations, presented information regarding MOD Resales and Alterations Department. He discussed staffing, resales inspections, the buyer's meeting and alteration permits. Detailed information is provided in a slide presentation that can be shared with directors and TWCM members on request. Information is also readily available on Rossmoor.com. MOD does request that the Mutuals create a schedule of fines to be levied when the MOD Contractor Guidelines are not being followed, and can ban contractors for multiple violations of the guidelines.

Update on Property Insurance Crisis

Fallout continues from Fannie Mae designation that Rossmoor properties are unwarrantable for FHA mortgages based on less than 100% replacement value insurance coverage. The Presidents Forum Insurance Task Force is continuing their efforts and will be meeting throughout the year to identify options available and actions to be taken to mitigate the effects of the continuing insurance crisis.

Mutual Presidents' discussion

The Mutual Presidents discussion included a report on the activities of the working group reviewing the GRF/Mutual Management Agreement. A meeting was held and tasks were assigned to the participating Mutual Presidents. Additional volunteers are invited to participate in the process.

Further discussion was had regarding the GRF study of sale and development of two parcels mentioned in the Rossmoor News. A working group may be developed to provide input on this issue.

I asked the Mutual Presidents whether any policies or operating rules have been developed by other mutuals on the issue of backup electrical power systems attached to rooftop solar panel systems or public utilities. I expressed concerns raised previously about the fire hazard of some lithium battery systems. None of the mutuals indicated that they had any policies or operating rules but recognized that they may soon need to develop some.

Secretary's Report

No report was presented.

Treasurer's Report

No report was presented.



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- 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 reported that during the storm 2 weeks ago a large tree came down and damaged a building in FWCM. The damage will most likely not exceed the \$250K deductible. The damage will most likely be more than \$10K so there is a likely hood that the Shared Deductible Agreement will be utilized.

He also mentioned that Nancy Bunch is currently on medical leave with no anticipated return date. Jeroen will announce who will be replacing her in the meantime today.

Finance Committee Meeting

Mike Abell gave the following report:

The primary topics at this meeting were:

A recap of Project Hopeful – a prelude to the board meeting discussion

A recap of the insurance payments for 2024, interfund transfers etc

Discussion on Tasks for committee members

Treasurer's club agenda for March 11 meeting

Thinking about the 2025 budget cycle; Reserves, cost assumptions etc.

Tasks that each committee member would be comfortable taking on as a research project.

In attendance:

Mike Abell
Tom Lauck
Nan Warren
John Doyle



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David Jennings
Roxanne Stallings
Mary Neft
Florence McConnell

Mike Abell made a motion, seconded by Jim McFarland to appoint John Doyle as a member of the Finance Committee.

Moved, Seconded, Carried 9-0

Building and Maintenance Committee

Nan Warren gave the following report:

The committee did not meet this month because we were in the middle of securing a new provider for testing acoustical measurements, and locating volunteers who would be willing to offer their residences for testing purposes. We now have three volunteers and are able to provide locations for testing three different underlayments and surfaces. I am making contact with the new testing provider and hope to provide more information at our next meeting.

Clayton Clark presented the following report:

For the month of March 2024

Project 23

- ❖ Spectrum Painting is completing the painting repairs completed painting of the guardrail and caps per Project 23 at 1109, 1113, and 1117 while AMS scaffolding was present.
- ❖ Scavenger pump for the elevator to reduce oil getting into the pit installed.

Project 26

- ❖ Vehicle damaged carport at 1501 Pt and assuming responsibility. Two bids were provided to owner for Direct bill.

Project 27

- ❖ **Flat roof maintenance under review. Coating and overlay considered.**
- ❖ Electrical panel replacement at 1912 Ptarmigan completed.

Project 31

- ❖ Getting proposal for sliding door adjustment. Finding contractor has been difficult



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- ❖ Noise issue at 2621 Ptarmigan plumbing unresolved.

Project 32

- ❖ **No action to report.**

Project 33

- ❖ **Working on quote for metal doors at trash enclosures. Current bid is for metal framed doors.**

Project 34

- ❖ **No action to report**

Project 35

- ❖ Temporary electrical fix by 3112 TGR requires a more permanent solution.
- ❖ SB 326 Balcony inspections completed and waiting on report.
- ❖ Light electrical short circuit near block retaining wall at 3141 pt. Estimate obtained for electrician and Terra Landscape for digging.

Project 36

- ❖ **No action to report.**

Project 37

- ❖ **Reviewed sewer issue at 2175 CC and disconnected vertical line exists. Waiting on estimate.**

Project 38

- ❖ **Obtained bid for concrete improvements to carport access.**
- ❖ **Obtained estimate for electrical and landscaping (digging) work at 831 TCal under tree. New service from building to power the lights is recommended.**

Project 42

- ❖ **No action to report.**

Project 44

- ❖ **Deck coating under review at 3118 RP.**

Project 45



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- ❖ **Fiala will be doing roof at 3612 RP rear balcony due to past leaks and waiting for 3 good days to complete.**
- ❖ **Reviewed lighting improvements for Entry 8.**
- ❖ **Paint committee formed.**

Project 49

- ❖ **Waiting price for pump house maintenance and reserve replacement. Two bids received but contractors specified different controllers so requesting additional information.**
- ❖ **Elevator at 1812 SD hydraulic pump replacement approved and waiting on schedule.**
- ❖ **Reviewing 1836 SD for rehab.**
- ❖ **Reviewing 1766 SD for rehab.**
- ❖ **P49 Phase 2 inspections will be done in Spring.**

Project 51 A:

- ❖ **MOD carpentry rehab will be working in Late January or early February depending on weather and other 2023 planned work.**
- ❖ **Roofing completed and performing final inspection.**

Project 51 B:

- ❖ **Roofing contract for last 2 roofs waiting on schedule.**
- ❖ **Proposal for new carport gutter section submitted.**
- ❖ **Resolved duct issue in attic damaged by unknown activities.**

Project 54:

- ❖ **1412 SD scheduled for 2024.**

Project 64

- ❖ **Reviewed garage door rollers at 2516 and 2518 Saklan Indian. Replaced all rollers for \$10/ea. Consider a service call to perform remaining doors.**

General:

1. **As time permits:** 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.
 - a. Membrane manufacturer will give a 25-year commercial warranty on roof replacement. This includes leak damages.
2. Staff working on 2024 rehab and other planned work. Have 2 carpenters in TWCM but highing has been difficult.



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3. Staff has noted several solar panel installations controllers powered into Mutual outlets and working to resolve.
4. Staff is working to streamline the resident billables involving only MOD inspections. Insurance or Mutual action to contractors will take more time.

Landscape Committee

Jerri McNair presented the following report:

At our next Landscape Reps meeting, we will be reviewing our priorities that we established in 2023 and updating them for 2024. Those priorities were as follows:

FIRE SAFETY

- Removal of hazardous flammable plants
- Limb up all trees to 8 feet
- Keep gutters free of debris during fire season
- Annual weed removal on hillsides
- Plan for more firesafe planting plans

For more information on fireside landscaping, please see Marin Master Gardener
<https://marinmg.ucanr.edu/BASICS/FIRESMARTLANDSCAPING/Plan/#spacing>

WATER CONSERVATION

- Change to low water species
- Removal of turf...Use sheet mulching, not scalping or shutting off water. Trees still need water on monthly basis
- Shift to high efficiency MPs or drip
- Some areas getting too much water, and others not enough
- There are areas where plants are blocking spray heads, causing water runoff
- Concern about trees that are stressed where water has been cut back
- Inappropriate use of bubblers and not placed in root zone

See WUCOLS.com (Water Use Classification of Landscape Species) plant water use descriptions

PLANNING AND DESIGN WORK

- Need landscape plans for areas to be cleared or already cleared of flammable plants
- Create gathering spaces for neighborhoods
- Create maps to show needed lawn conversions
- Create maps to show where additional fire safety work needs to be done



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- Tree replacement plan needed
- Use native plants and pollinator friendly gardens

Reminder: Planning and design to be done during Spring and Summer so that plants can be. Ordered in time for installation during rainy season.

MAINTENANCE

- Notify residents when pruning is going to take place
- Annual weed removal. How is that handled?
- Annual tree walk: When and how?
- How to keep mulch on hillsides
- Unnecessary pruning of plants and trees. No stripping out or “lion-tailing”

Discussion:

Are there any changes that need to be made to these priorities?

On your priorities for your own entry, where would you like some help?

Which of your projects on your entry did you consider most successful?

California Department of Forestry. Fire Safe: Inside and Out

Defines **fire retardant plants** as those easily maintained and pruned, drought tolerant in some cases, doesn't accumulate dead branches, needles or leaves, have a low sap or resin content, and grows close to the ground.

In regard our first priority, **Fire Safety**, I have included some information below as a reminder of Zone 0 definitions.

Zone 0 Defensible Space and Assembly Bill 3074

Zone 1 and 2 currently make up the 100 feet of defensible space required by law. Assembly Bill 3074, passed into law in 2020, requires a third zone for defensible space.

Zone 0 extends 5 feet from buildings, structures, decks, etc.

The ember-resistant zone is currently not required by law, but science has proven it to be the most important of all the defensible space zones. This zone includes the area under and around all attached decks and requires the most stringent wildfire fuel reduction. The ember-resistant zone is designed to keep fire or embers from igniting materials that can spread the fire to your home. The following provides guidance for this zone, which may change based on the regulation developed by the Board of Forestry and Fire Protection.

- *Use hardscape like gravel, pavers, concrete and other noncombustible mulch materials. No combustible bark or mulch.*



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- *Remove all dead and dying weeds, grass, plants, shrubs, trees, branches and vegetative debris (leaves, needles, cones, bark, etc.); Check your roofs, gutters, decks, porches, stairways, etc.*
- *Remove all branches within 10feet of any chimney or stovepipe outlet*
- *Limit plants in this area to low growing, nonwoody, properly watered and maintained plants*
- *Limit combustible items (outdoor furniture, planters, etc.) on top of decks*
- *Relocate firewood and lumber to Zone 2*
- *Replace combustible fencing, gates, and arbors attach to the home with noncombustible alternatives*

If you have been converting your plantings from moderate or high-water use plants to low or very low, here is a reminder of how important that change is!

For example, in a 700 square foot area with lawn, you would typically use 31,000 gallons annually. If you change to moderate water use plant, you would need only 15,500 gallons annually. If you change to low water use, you would need only 6,200 gallons annually without even improving irrigation efficiency.

From GreenGardenGroup, p41, ValleyWater_Guidebook_2021_s because being Fire Safe is part of our landscape design, it is important to keep plants irrigated to meet their water needs if you want them to be less flammable.

Governing Documents Committee

Florence McConnell reported that the committee has submitted the revised rental and leasing CC&R language to the Mutuals attorney for review. That will be presented at the next Board meeting. Florence received the proposed language from Lauralee on the EV policy. That will also be discussed at the next Board meeting.

Alteration Permit Application Review

No report presented.

Communication Committee

No report presented.

Emergency Preparedness Committee

No report presented.

Electric Vehicle Charging Committee

Lauralee reported that there is confusion with whether insurance is required from residents who are installing EV chargers. Lauralee will be working with Florence and the Governing Documents



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committee to draft a new EV Charging policy.

Old Business

- a. Election Inspector Services for CC&R Insurance Amendment..... Mr. Lauck

Nan Warren made a motion, and Mike Abell seconded to appoint Liberty Election Services as the Inspector of Elections for the CC&R Insurance Amendment.

Moved, Seconded, Carried 9-0

- b. Election Inspector Services for District Director Election..... Mr. Lauck
The election deadline is on March 14th, 2024, at 12pm. As of now, TWCM is eligible for election by acclamation. If there are more candidates than open seats by the deadline, the Board will need to appoint an Inspector of Elections.

New Business:

- a. Investment Actions Mr. Abell
 - 1. P23 - \$100,000 90 Day Treasury (Leary)
 - 2. P 26 - \$100,000 90 Day Treasury (Lauck)
 - 3. P 27 - \$50,000 90 Day Treasury (Barbaria)
 - 4. P 36 - \$300,000 90 Day Treasury (Warren)
 - 5. P 38 - \$100,000 90 Day Treasury (McConnell)
 - 6. P 42 - \$100,000 90 Day Treasury (Schwager)
 - 7. P 45 - \$250,000 90 Day Treasury (Abell)
 - 8. P 49 - \$300,000 90 Day Treasury (McFarland)
 - 9. P 51A - \$200,000 90 Day Treasury (Swearingen)
 - 10. P 51B - \$200,000 90 Day Treasury (Swearingen)
 - 11. P 54 - \$75,000 30 Day Treasury (McFarland)
 - 12. P 54 - \$75,000 60 Day Treasury (McFarland)
 - 13. P 54 - \$75,000 90 Day Treasury (McFarland)

Mike Abell made a motion, seconded by Nan Warren, to approve the above investment actions.
Moved, Seconded, Carried 9-0

- b. Civil Code 5380 Board Resolution Mr. Abell
Mike Abell will be in contact with Richard Fong to have a resolution drafted by the next meeting.

Announcements



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

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 10:58 am.

Executive Session Summary

The Board met in executive session from 9:01am to 9:23am and then from 11:05am to 11:40am and discussed the following:

1. Member Matters – Delinquent balance write-off
2. Member Matters – Delinquent balance write-off
3. Member Matters – Delinquent balance write-off
4. Member Matters – Delinquent balance write-off
5. Member Matters – Lease Extension
6. Contract Formation – Accounting Services Proposal
7. Contract Formation – Sample Service Agreement

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