



**Regular Board Meeting Minutes**

Monday October 14, 2024 at 9:30 a.m.

Virtually 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 9:32 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)-*via zoom*

**Staff Present:** Jeff Matheson, General Manager  
 Jeroen Wright, Director of Mutual Operations  
 Todd Arterburn, Chief Financial Officer  
 Clayton Clark, Sr. Building Maintenance Manager  
 Charice Jimenez, Interim Board Services Coordinator

**3. Members' Forum**

Members were afforded the opportunity to express their general concerns and make comments. Topics discussed included: Echo will be at Rossmoor for a educational conference in November 202, noise disturbances, new residents, entry lighting, branches dropping berries, dead landscaping.

*\*Jerri McNair offered to address all the landscape concerns raised by the members individually after the meeting.*

**4. Approval of Meeting Minutes**

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

Motion to approve the Board Meetings Minutes:

- |                                    |                    |
|------------------------------------|--------------------|
| a. Regular Board Meeting Minutes   | September 9, 2024  |
| b. Executive Board Meeting Minutes | September 9, 2024  |
| c. Executive Board Meeting Minutes | September 18, 2024 |

Nan Warren made a motion, seconded by Bill Leary, to approve the aforementioned meeting minutes.

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

**5. GRF General Manager's Report**

Jeff Matheson began by thanking the Board for the opportunity to speak today. He continued with his

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vision of a bright future for Rossmoor as we continue to recover from the impacts of the pandemic. He spoke on the Nation's current state of insurance crisis and how that has impacted GRF and the communities' delicate balance between being affordable vs. premier.

The Accounting Department is finding stability in their staffing. The department is being structured to better serve the mutuals as they continue to work on the implementation of the new NetSuite system. The new system will propel the entire community of Rossmoor forward. Jeff also informed the Board the intent to hold another Town Hall in November.

#### 6. **President's Report**

President Lauck provided the following report:

Report of the Presidents Forum September 23, 2024  
Presented at the Board Meeting on October 14, 2024

Jeff Matheson, GRF General Manager, presented a review of the draft GRF operating budget. This 139-page document is available on the webpage of GRF on Rossmoor.com for a limited time at <https://rossmoor.com/wp-content/uploads/2025-Draft-GRF-Budget.pdf>. Eventually it will be replaced by 7-page Budget Summary in 2025. I suggest you download this larger document for the details behind this budget.

The top six GRF expenses by type of service are Unallocated/General Services (21.5%), Public Safety/Securitas (10.7%), Custodial Services (8.7%), Recreation (6 %), Golf Course (5.9%) and Bus Transportation (5.2%). The detailed budget for each of these services, and the 15 other types of services included in the GRF budget, is included in this document.

The largest increases in the GRF budget occurred in the Fitness Center (23.5%), and Information Technology (20.4%) though they represent only 4.3% and 4.6% respectively of the GRF total budget.

The GRF has a total of 255 employees plus some additional seasonal employees.

Now that we have reviewed the draft budgets for our 19 individual projects, the GRF portion of the monthly coupon, including the \$59.45 monthly fee for Cable TV Service, is between 22.9% minimum and 28.1% maximum of the total monthly coupon for the individual TWCM projects.

The balance of the monthly coupon is the cost for mutual maintenance and operations, plus the mutual reserves assessment. Included in that cost is the MOD Management Fee, which is set at \$73.60 per unit per month, which is between 4.75% minimum and 5.83% maximum of the total monthly coupon.

After the GRF portion of the meeting the Presidents discussed the Draft Confidential Management Agreement which has been issued to GRF for review and comment. Meetings between GRF and the negotiation team for the Presidents Forum will be held soon to finalize the agreement.

The mutual presidents also discussed the smoking policy. Some mutuals have a policy but many rely on the Walnut Creek No Smoking Ordinance that applies to multifamily developments. Enforcement of either the mutual policy or the Walnut Creek policy is difficult, especially documenting the smoking incidents. No solution for these difficulties was forthcoming except for producing photographic evidence of a violation.



7. **Secretary's Report**

No report was given.

8. **Treasurer's Report**

Mike Abell provided the following report:

October 14, 2024 TWCM Treasurer's Report

1st pass of budget Meetings with MOD have been completed. Work to be done. This year's process was not ideal, as data was not available to directors until the day of the MOD meeting. Most directors feel they are required to play catchup

Targeting week of Nov 4 - 8 for resident budget meeting to accommodate MOD mailing.

Budgets need to be approved at the October 14 Board Meeting

Projected coupon increases across all 19 projects range from the low \$100' s - to the mid \$150' s per month largely driven by insurance estimate, Reserve and op cash demands, and MOD & GRF cost increases.

Some projects find themselves with insufficient Op Cash or Reserves, driving up coupon.

We will be filing 1 lien this week

2023 Audit Report Status and Tax Return Status - As of October 7 Audit report accepted by TWCM / GRF. Waiting for final and tax return. Will provide current update at the Board Meeting.

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

**Mike Abell Moved, Nan Warren Seconded, Carried 9-0**

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

**Mike Abell Moved, Tom Lauck Seconded, Carried 9-0**

9.

**GRF Senior Staff Reports**

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

Mr. Wright informed the Board of a new Law taking effect January 2025 which allows HOA's the ability to have electronic voting for select elections. There will still be the need to have physical ballots sent out for voting on special assessments, or regular assessment increases. Members may also opt out and request a paper ballot for voting. For a Mutual to implement electronic voting they will have to take the necessary steps of amending their governing documents. 4041 will be of even more value as we navigate through this new option. MOD will be dedicating a new position to the maintenance of 4041 compliance.



Todd Arterburn, CFO, Provided the following report:

Mr. Arterburn updated the Board the labor intensive work involved with the implementation of the new NetSuite system. Accounting is now fully staffed, although he will be making slight adjustments. GRF has shown complete support with all the changes that he has found necessary. Things are moving forward. He spoke on stepping in to his role with things being behind. He explained that TWCM is one of the more complex accounts. He has 3 accountants working on the Mutuals account.

Todd continued by letting the Board know of the milestones that will be happening. There will be a NetSuite update presentation at the GRF Board meeting this month. Communication is critical and Todd is striving for the most effective communication possible. He would like to have every other Treasurers club meeting be conducted as a roundtable with him and his team. He reiterated that there is nothing more important than knowing your funds are properly managed and watched over, that trust is earned and not just given. There have been back filling consulting roles. Most of the accounting staff is operation in 2 roles with their customary duties, topped with the duties needed in the transition to NetSuite. Once staff gets through the implementation next year the Board will see an even higher level of customer service. By mid-November he will be putting out a fiscal calendar for next year that will outline key milestones, Board action, so the Board and staff can be on the same page. He does not want to have a late audit. Not meeting milestones or fiduciary foundations creates mistrust. Cashflow planning is a piece we are missing from the current ERP system that Todd will be working on fine tuning the new system.

President Lauck noted that the Directors need to communicate to their residents how much the Board would appreciate residents completing the 4041 with email contact only so that it can be utilized, saving the Mutual substantial amounts of money. The Board may need to explain to the residents that this is a yearling form they will need to complete. Last year 400-500 people did not respond.

## **10. Committee Reports**

### **a. Governing Documents Committee**

#### **Report from the Gov Doc – Florence McConnell**

Gov Docs Report for the October 14, 2024

Attendees: Tom Lauck, Roxanne Stallings, LuLynn de Silva, and Florence McConnell

Additional Board Members: Adrian Byram and Lauralee Barberia

Committee Members Excused: Bill Leary and Nan Warren to avoid a quorum of the Board Members in attendance

1. Review and discussion of draft Policy 61 Supplemental Electrical Systems Solar Battery, EVCs that was provided by Adrian Byram.

Adrian Byram and Lauralee Barberia attended the meeting to review and discuss the draft Policy 61. This Policy has been completely revised in response to the requirements of Civil Code 4760 to cover batteries associated with solar and what to do about Level 2 EV Charging Systems (EVCS) which almost always require major electrical work. The document was discussed and suggested changes were to be made by Adrian Byram and will be put on the Agenda for Board review for the October 14, 2024 Meeting.

2. Adrian Byram and Lauralee Barberia also presented a draft of Policy 64 Electric Vehicle and Golf Cart Charging. Policy 64 is designed to govern how TWCM Owners shall install and use the charging stations needed for electric vehicle and golf carts. Policy 64 will be reviewed and discussed at October



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16, 2024 Gov Doc Meeting.

3. Solar Companies are now selling solar systems as a package that include solar panels as well as batteries. As a result, it is important that TWCM have a policy in place to respond to Owners request for installation.

The Committee recommends that Policy 61 be included with the back-log of policies to be sent out for a 28-day membership review as soon as the Board approves Policy 61. In addition, that the Board require MOD to send out packets under the 4041 Rule by email to members o reduce the cost of paper mailing to all members

Adrian Byram spoke on supplemental electrical systems for EV charging. He also talked about policies and procedures pertaining to EV charging installation. He explained how adding a required electrical inspection to the policy could be beneficial to the long-term mutual health.

**b. Building Maintenance Committee**

**Clayton Clark provided the following report:**

**TWCM BUILDING STATUS REPORT**

For the month of October 2024

**Project 23**

- Getting estimates to power wash the deck at 1129 Avenida Sevilla. No action to report.
- Soliciting another cleaning service. Terminated Janitorial contract and setting up new service for November.

**Project 26**

- Waiting for county direction on pool chemical controller requirements. No action to report.
- Working on bids for 1621 Pt rehabilitation. One bid received. Other contractor has failed to provide estimates after frequent reminders, and soliciting another contractor.
- AMAC is working on 1683, 1679 and 1675 Ptarmigan rehab. Painting and deck coating will follow.
- New EPIK is scheduled for this month for elevator communication with front gate. 1501 Pt was successful, and 1621 Pt scheduled this month.
- Assisting with condensate line location at 1621 Ptarmigan with Bay Air Flow assistance. No action to report as #7a was found to be operating correctly. #9b is also experiencing a condensate issue as well.
- Unapproved exterior lights discovered on Entry 9 Pt.

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- MOD has deferred painting requests for Entry 8 and 9 due to rehab in 2026

Project 27

- Will reroof using replacement vs coating system for better warranty.
- 5 STAR repaired splitting fencing on entry 10 Ptarmigan.

Project 31

- Getting proposal for sliding door adjustment. AMAC has provided price. No action to report.
- Fencing for 2641 and 2653 Ptarmigan completed.
- One fence stained at owner request, and remaining fence will be stained at later date.
- 5 Star completed concrete replacement at 2653 Pt due to nearby redwood trees

Project 32

- 2516 Pt skylights are being reviewed for replacement as some are cracked.
- Bay Air Flow rescheduling return to complete condensate lines. No action to report.

Project 33

- MOD quote to repair trash enclosure fences approved.
- Fiala will replace the carport roofs this month after City approved permit..

Project 34

- Reserve health and rehabs under review

Project 35

- Termite inspections underway for rehabs 2024 and 2025.

Project 36

- Condensate line found at 2175 CC
- Water issue in floor at 2175 CC. No action to report.

Project 37

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- Uneven stairway due to tree lifting under review.

Project 38

- Bollard installation completed.
- Working on unapproved alteration ramp correction with owner.

Project 42

- 606 TCal rehab in progress.

Project 44

- Rehab completed except 3142 RP deck which has settled. FWC has developed a plan for repairs and bidding to available contractors. is being evaluated by an engineer to determine repairs needed. Contract will be processed this month and then City permit application.
- Illegal solar panel battery installation at 3024 RP under review. No action to report.
- The concrete walkway issue at 3162 RP completed.
- 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.

Project 45

- Reviewed lighting improvements for Entry 8. Checking if carpenters can repair the first 2 wood light posts in entry before finalizing costs.
- o Rehab carpentry completed. Painting and deck coating will start this month.
- o Deferring alteration roof with owner at 3612 RP due to no response.
- 3580 RP: Starting this month. Contractor requested change in contract for no retention.
- Discussion of alteration roofs for lower floor units.

Project 49

- Waiting price for pump house maintenance and reserve replacement. Two bids received but contractors specified different controllers so requesting additional information. Deferred to 2025.
- Rehab of 1836 SD near completion..

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- Rehab of 1766 SD month by AC Enterprises, and under observation by FWC engineers.
  - More decay found in breezeway area
  - Permits are still waiting City approval due to outside plan check of 3-4 weeks per comment period.

Project 51 A:

- Painting this month in Entry 13.
- Assisting with pest mitigation issues.
- Pressure regulator installed by Davis Plumbing after several plumbers provided pricing. Other units on same entry are 90psi pressure and waiting on pressure regulating valve costs. no action to report.

Project 51 B:

- No action to report.

Project 54:

- 1412 SD scheduled for 2024.
- Gutter guard completed in Entry 5.
- GFCI installed for meeting area in Entry 5..

Project 64

- Alteration walkway at 2506 completed for accessibility.

End of report.

**c. Landscape Committee**

Jerri McNair provided a Landscape report:

Third Walnut Creek Mutual Board Meeting, October 14, 2024

Landscape Committee Report

The 3rd Mutual Landscape Representatives meeting was held on October 2, 2024 in Peacock Plaza. The main object for the meeting was to review and discuss our four priorities: Fire Safety, Water Conservation, Planning and Design, and Maintenance. We discussed the need for any changes in these priorities, which projects were most successful and where did they need some help.

Our Fire Safety concerns focused on keeping the gutters clean and the schedule for



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cleaning. Given that keeping gutters clean is a priority for fire safety, we discussed the need for additional cleaning and the possibility of installing gutter guards. Brock Arner volunteered to look into the matter for us. Landscape Reps were also given a copy of How To Prepare My Home Checklist and of the IBHS report on Building in the Non-Combustible Zone. Jerri will send a copy of these to the Board.

On Water Conservation, there was some concern that water was cut back too much and too soon last year. Everyone also has noticed that plants are blocking sprays heads in many areas, causing water to just run down the drain. This is both an installation, problem and a maintenance problem. We are considering initiating a Mutual wide effort to remove plants that block spray heads. Reps were also reminded to use their irrigation maps when looking for lawn conversion areas.

The need for Planning and Design is still considered an important topic, and we will be concentrating on how to accomplish these goals. There has been some individual success in installing pollinator-friendly plants and in creating a template for fire safe front entries.

Maintenance is still a major concern. In addition to the plants that are not being maintained as part of our contract, we continue to have problems with mulch being removed. We are just now aware that the dying areas in lawn all over 3rd Mutual will require additional maintenance and that the areas of ivy which are dying back are also a maintenance issue. We discussed the use of chicken wire as a means of holding mulch in place and also, its ability to keep turkeys from digging mulch into walkways and streets. Jerri McNair will be following up on this with Terra. When compared with the cost of cobbles along walkways and streets, this would also be very cost effective and would save money for other needed projects.

Jerri McNair

3rd Mutual Landscape Chair

**d. Emergency Preparedness Committee**

No report was given.

**e. Electric Vehicle Charging Committee**

Lauralee Barbaria reported:

After the policies are amended there will be an increase in the committee's workload.

**f. Dispute Resolution:**

Lyman Shaffer reported that there were no disputes reported in the last month.

He also identified the members of the Committee as:

Joanne Thorne  
Helen Rees  
Roxanne Stallings  
Richard Naegle

A motion to approve the selection of these members was approved by a vote of 9-1.

**g. Communications Committee**

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Mr. Shaffer reported that the following persons have agreed to serve of the Third Mutual Communications Committee: Lyman Shaffer, Chair, Bill Leary, Carol Field, Terry Quinlin, Rae James, Myra Gillum

The Committee will be meeting on October 22 to start work on the Third Mutual newsletter.

Motion approved 9-0

### Alterations Committee

Nan Warren provided the following report on alteration applications in the past month; 32 applications for alterations, the usual mix of windows, bathrooms, and kitchens.

### New Business

- a. Nan warren made a motion, seconded by Bill Leary, to appoint Lucy Limon as the assistant secretary.  
**Moved, Seconded, Carried 9-0**
  
- b. The Directors have all received proposed 2025 budgets. They will meet on November 14, 2024 at 9:00 a.m. at the Event Center to see the final presentation of the 2025 Budget by MOD and vote to approve.
  
- c. The following investment actions were requested by the Board:
  - P 31 - Lauralee Barbaria requests that the Treasury Bill in the amount of \$285,000 maturing on 10-31-2024 be reinvested in a similar T Bill for 90 days.
  - P 45 - Michael Abell requests that a Treasury Bill be established in the amount of \$200,000 for a 90 day term. The Treasury Bill to be funded from the City National Bank Sweep accountMike Abell made a motion, seconded by Lyman Shaffer, to approve the aforementioned investment actions.  
**Moved, Seconded, Carried 9-0**

**Announcements:** Next scheduled regular meeting of the Board of Directors will be held on Friday November 8, 2024, at 9:30 am, via zoom and in-person, in the Boardroom in the Gateway Complex. The Annual Budget Presentation will take place on November 14, 2025 at 9:00 am in the Event Center – Donner Room

### Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 12:52 a.m.

### Executive Session Summary

The Board met in executive session from 9:03 a.m. to 9:30 a.m.:

1. Member Matters \_Member Matters \_Account #22802
  - Mike Abell made a motion, seconded by Lyman Shaffer, to approve a lien to be placed on the property.  
**Moved, Seconded, Carried 9-0**
2. Member Matters \_Member Matters – unauthorized alterations \_\_Account #18513
  - *The Board received an update on this ongoing issue*



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**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.

Charice Jimenez

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**Interim Assistant Secretary**  
Third Walnut Creek Mutual