



Walnut Creek Mutual No. Thirty-Nine

REGULAR MEETING MINUTES OF THE BOARD
TUESDAY, AUGUST 19, 2025, at 1:00PM
BOARD ROOM – GATEWAY
& ZOOM MEETING
1001 GOLDEN RAIN RD – WALNUT CREEK, CA 94595

Call to Order

President Haket called the meeting to order at 1:00 p.m.

Roll Call

Directors Present:

Victoria Haket – President
Karen McEligot - Treasurer
Jennifer Mu – Secretary
Terry Gordon – Director at Large

Directors Absent:

Bill Claussen – Vice President

RPM Staff:

Jeroen Wright, Director of Mutual Operations
Rick West, Sr. Building Maintenance Manager
John Tawastsjerna, Landscape Manager
Lucy Limon, Board Services Coordinator

Approval of Minutes

- Annual Meeting Minutes of May 27, 2025
- Organizational Meeting Minutes of May 27, 2025

Karen McEligot made a motion, seconded by Terry Gordon, to approve the Annual Meeting Minutes of May 27, 2025.

Moved, Seconded, Carried 4-0

Victoria Haket made a motion, seconded by Karen McEligot, to approve the Organizational Meeting Minutes of May 27, 2025.

Moved, Seconded, Carried 4-0

Residents' Forum

A Resident's Forum was held for comments and questions from the membership. Comments included:

- Resident in Entry 12 – Reported on a couple spots that are still bare on a hill around her entry. She requested that the landscape committee look at the area.
- Resident in Entry 3: Reported on mold found in her entry and thanked the person who resolved this issue. She also thanked the landscape committee for their hard work.
- Resident in entry 12: Reported on having draft minutes available to members sooner. She asked if preventative maintenance will take place before the rain and requested a status update on the condensation line project.

Walnut Creek Mutual No. Thirty-Nine

Committee Reports

Landscape Committee: Olga Gordon

During our prepaid Spring Maintenance Days from June 23rd to the 26th, a substantial quantity of juniper was removed from Entry 12. Additionally, old, dry rosemary, grevillea, and other deceased shrubs were cleared. Sprinklers were also inspected and serviced in all entries. The team, led by Eddy Ibarra, executed the cleanup efficiently and effectively.

In July, Ronald Goldberg, Lydia Schulman, and I met with Juan Chavez of Terra Landscape and his team to discuss the following:

1. **Shrub Trimming:** Shrubs will be trimmed 18 inches away from the walls and windows of buildings.
2. **Tree Pruning:** Trees surrounding buildings will be cut back to a height of no more than 6 feet.
3. **Dead Branch Removal:** Dead branches will be removed as far up as 10 feet.
4. **Rosemary and Juniper Reduction:** Rosemary and juniper growing on hillsides towards buildings will be gradually reduced.
5. **Ladder Fuel Removal:** Fire ladders of trees and shrubs will be gradually dismantled (also known as ladder fuels, which are vegetation that allows a fire to ascend from the ground into the tree canopy).
6. **Clear Path Maintenance:** Clear paths around all buildings will be maintained to facilitate access by workers and emergency responders.
7. **Foliage Avoidance:** Shrubs and trees will not be allowed to grow into each other's foliage.
8. **Open Space Creation:** Open spaces on hillsides will be created to enable routine maintenance and fuel removal.

During our upcoming Fall Maintenance Days from November 18th to the 21st, we will be planting drought-tolerant shrubs in areas where juniper has been removed. Where feasible, we will plant shrubs that will attract quail, which had been nesting in the juniper.

Furthermore, we will undertake a significant improvement to the far side of E13. Additionally, we will replace some dead shrubs in front of one of the manors.

We extend our sincere gratitude to our dedicated landscape team for their unwavering support.

Governing Documents Committee: John Rice

John Rice provided the following report:

- 1) M39 GovDocs Committee
 - a) Denise Mauldin has resigned from the committee. We thank her for her many contributions to the committee.
 - b) We are now looking for a volunteer who would like to join the governing documents committee.
- 2) M39 Rules and Regulations
 - a) RR41.0 Rental/Leasing of Units

Walnut Creek Mutual No. Thirty-Nine

A week or so after last Board meeting a real estate Lawyer was identified and engaged to review our Unit leasing Rules and Regulations. Finally, RR 41.0 updated based on this review and will be distributed for 28 day Member comment.

i) Clarified that Lease is between Member and Tenant

ii) Tenant needs to follow M39 & GRF Governing Docs

iii) Edited text to line up with new forms and process

iv) Request to Lease Form

(1) Clarification that Lease is between Member and Tenant

(2) An optional lease agreement will be offered in package but Member responsible for terms.

v) Tenant Information Sheet (TIS)

(1) Deleted - health insurance

(2) Renters Insurance required: (CC&Rs)

vi) Tenant Emergency Information (TEI) form

(1) No change

vii) Senior Citizen Housing (Civil Code 51.3) form

(1) Deleted - social security number

b) RR 64 ELECTRIC POWER AND EQUIPMENT - OWNER INITIATED ALTERATIONS

i) No change since discussed last year

ii) Compliance with California code R328 (Energy Storage Systems)

iii) No BESS on common area property (walls of building)

iv) Member is responsible for removal and replace if needed for M39 maintenance of common area.

3) Continue to participate

a) Defining implementation of Member Records data in NetSuite with GRF/RWC

b) in Mutuals' Working Group negotiating new GRF / Mutuals Management Agreement.

Budget and Finance – Karen McEligot

Karen McEligot provided the following report:

1. M39 financial status appears to be sound according to the copies of our three bank accounts and cash account reconciliations for the month of June. They are as follows:

Operating cash as of June 2025 = \$484,852

Reserve cash as of June 2025 = \$377,163

Investments as of June 2025 = \$894,076

Total cash and equivalents as of June 2025 = \$1,756,091.

2. We have received for the first time since December of 2024 full financial statements for the month of June that include a balance sheet and a complete general ledger. There appears to be several irregularities of significant amounts that are unexplained. I have asked for a meeting with the CFO and the Controller for explanations of these items and I have yet to receive a response. Thus there is no motion for compliance with Civil Code 5500 to be requested at this time.

3. We currently have two T-Bills and one T-Note as listed below:

Walnut Creek Mutual No. Thirty-Nine

1 year T-Bill maturing on 10/2/2025 for \$250,519.10, with a annual return of 3.78%.

2-year T-Note maturing on 9/30/2026 for \$249,784.22, with a annual return of 3.743%.

6-month T-Bill maturing on 8/28/2025 for \$352,886.70, with a annual return of 4.03%.

Two of these securities will mature during this current year and one the following year.

Karen McEligot made a motion, Jennifer Mu seconded to approve the Treasurer or Assistant Treasurer to be authorized and empowered to establish and maintain one or more investments as specified in 16.2.1 of M39 Rules and Regulations and to proceed with investing the funds as appropriate.

Moved, Seconded, Carried 4-0

Communications Committee: Jennifer Mu

Jennifer Mu surveyed the Board and members to determine whether the Newsletter remains of interest to residents. The majority agreed that residents value the Newsletter, and the Board decided that Mutual 39 will continue publishing it.

Recycling Committee: Victoria Haket

Victoria Haket gave the following report:

Compost bins were professionally cleaned on July 29th. Cleanings are scheduled again during the warmest months of August and September to help maintain sanitation and odor control.

Victoria noted that since the switch to once-a-month cleaning, some enclosures do not appear as clean.

Building Maintenance/Alterations: Jennifer Mu

Jennifer Mu and Rick West reported that the rehab of the five buildings scheduled last year has been completed. Rehab of two additional buildings will begin in the coming days, and carpentry work on these buildings is already underway.

Jennifer responded to a resident's comment regarding the condensate line project and advised that she would conduct a walkthrough and review of the line near the resident's unit.

Jennifer also noted that, prior to his retirement, Clayton Clark had mentioned that other Mutuals have begun inspecting their main electrical panels, as many are now over 30 years old. She advised that if the Board wishes to consider replacing these panels, Mutual 39 should include the expense as a line item in next year's budget.

Jennifer Mu made a motion, Terry Gordon seconded to approve the inspection of all main electrical panels in Mutual 39 with a fee of \$250 per panel to be performed by KR Electric.

Moved, Seconded, Carried 4-0

Rick West reported that some SB326 inspections have been completed as part of the rehab work. The Board requested that he provide documentation outlining what has been completed and what remains outstanding. Rick added that the condensate line project has been completed.

Walnut Creek Mutual No. Thirty-Nine

Social Committee: Victoria Haket

President Haket reported that Rachel Buckley is taking the lead to plan this event for early October in entry 4. This will be a potluck event, and in keeping with our commitment to sustainability, we ask that attendees bring their own reusable beverage containers, no plastic please. We are also looking for a volunteer with a golf cart to help shuttle guests to and from the event, as well as access to a sound system with a speaker for announcements and music. More information will be shared soon as details are finalized.

Welcome Committee –

President Haket reported that the committee is excited to greet Mutual 39's newest resident, moving into Entry 8 on Terra California. She expressed her gratitude to Debbie Perelumter for helping with this.

AD-HOC Paint Committee

The Paint Committee reported that, after conducting a drive-through survey of Rossmoor, they observed that approximately 75% of buildings are beige and 25% are gray or taupe. The Committee presented a proposed color palette consisting of five body-and-trim color combinations.

Victoria Haket made a motion, Terry Gordon seconded to approve the new standardized color palette for buildings, consisting of 5 color combinations ranging from beige to gray, along with trim color options.

Moved, Seconded, Carried 4-0

Victoria Haket made a motion, Terry Gordon seconded that residents will have the option to paint their garage doors either the body color or trim color of their chosen building color combination.

Moved, Seconded, Carried 4-0

Presidents Report

President Haket gave the following report:

Welcome and thank you to all who are attending. Sincere appreciation to all our committees for their continued hard work and dedication. A reminder for summer: If you have potted plants on your deck or patio, please ensure they are lifted off the surface using pot stands or saucers.

Several mutuals have reported water damage caused by pots sitting directly on the concrete or deck surface. In some cases, residents have been held responsible for the repair costs. If you notice a neighbor with pots placed directly on the surface, please kindly notify the Board so we can address it proactively.

Old Business:

Walnut Creek Mutual No. Thirty-Nine

New Business:

a. Shared Mutual Expense – Storm Damage:

President Haket and Jeroen gave an update on the March 2024 incident in First Walnut Creek Mutual, where a tree was struck by lightning. The falling debris caused damage to a building. Total cost: \$61,748.49. As the damage was under Rossmoor's \$250,000 insurance deductible, this amount is shared among all mutuals.

Jeroen reported that a tree fell in TWCM overnight, causing damage estimated at over \$100,000. He noted that this incident will not impact insurance but will most likely be covered under the Shared Deductible Agreement.

b. Request to Explore Hard Surface Flooring for Upstairs Units:

President Haket reported that a resident contacted her to inquire about the possibility of allowing hard-surface flooring in upstairs units. She noted that Mutual 70 has had success with this option. Jeroen added that TWCM conducted a study in 2019, which concluded that carpet remains the preferred flooring choice. President Haket stated that she would forward this information to the resident.

MOD Staff Reports

a. Directors Report – Jeroen Wright

Jeroen Wright reported that his primary focus has been the approval of the Management Agreement, which remains on track for completion and signature by the Mutual Presidents. He noted that Mutual 39 has been well represented by John Rice. After several iterations, the final draft will be presented to the Presidents on Monday, August 25. The Presidents will then review and discuss the draft with their Boards and attorneys, with completion targeted for September 22. The agreement is expected to be ratified by October 31.

Jeroen further reported that the budget process for other Mutuals is scheduled to begin in September. Preliminary budget discussions for Mutual 39 will begin in February 2026, as Mutual 39 follows a fiscal calendar.

b. CFO Report – Todd Arterburn: No report.

c. Landscape - John Tawastsjerna: No report.

Announcements

The next Board Meeting is scheduled for Tuesday, November 18, 2025, at 1pm, in the Board Room at Gateway and via zoom.

Adjournment

President Haket adjourned the meeting at 2:49 p.m.

Executive Session Summary:



Walnut Creek Mutual No. Thirty-Nine

The Board met in Executive Session from 2:56 p.m. to 3:27 p.m. The following topics were discussed:

1. Member Matters: Delinquent Accounts
2. Member Matters: Smoking Violation

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
Mutual 39**

DRAFT