

THIRD WALNUT CREEK MUTUAL  
BOARD MEETING MINUTES OF THE BOARD  
MONDAY, OCTOBER 11, 2021, AT 9:00AM  
ZOOM VIDEO AND CONFERENCE CALL MEETING

**Call to Order**

President Rothman called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 9:00 a.m.

**Roll Call**

**Directors Present:**

Arlyss Rothman, President Dist. IX, (2022)

Matt Kaplan, Treasurer Dist. V, (2022)                      Nan Warren, VP Dist. XIV, (2022)  
John Swearingen, Secretary Dist. VII, (2024)          Milford Waldroup, Director Dist. XIII, (2023)  
Tom Lauck, Director Dist. IV, (2023)                      Steve Park, Director Dist. XV (2022)  
James McFarland, Director Dist. III, (2021)

**Directors Absent**

Martin Schwager, Director Dist. X, (2024)

**Also Present:** Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Joel Lesser, Chief of Finance; Clayton Clark, Building Maintenance Manager and Lucy Limon, Board Services Coordinator

**Members' Forum**

Members were afforded the opportunity to express their general concerns and make comments. Topics discussed included: general notices, approval of policies, committee meeting notices.

**Approval of Meeting Minutes**

President Rothman asked for any corrections and/or additions to the following sets minutes:

- a) Executive Board Meeting Minutes ..... September 10, 2021
- b) Regular Board Meeting Minutes ..... September 13, 2021
- c) Executive Session Meeting Minutes ..... September 13, 2021

A motion was made to approve the above sets of minutes

**Moved, Seconded, Carried 8-0**

**President's Report**

President Rothman reported on the expected coupon increases. She reported that the average insurance increase in Rossmoor is 43%. Rothman also advised that most projects will see an increase in their coupons, some projects will remain the same and the rest will see a slight decrease. More budget information to be addressed at the annual budget meeting.

**Secretary's Report**

John Swearingen briefly advised members to send resident forum topics via email to Lucy

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Limon at [Llimon@rossmoor.com](mailto:Llimon@rossmoor.com) .

**Treasurer's Report**

Matt Kaplan gave the following report:

This following information is based on the TWCM financial reports for July and August 2021.

The July 31, 2021, TWCM cash account balance was \$16,632.

TWCM payments in July were \$36,509, allocated as specified to the projects.

Republic Services trash pick-up was \$24,531. Trash Recycling to GRF was \$4,050. Enclosure cleaning to Commercial Support services was \$2,687. Printing and mailing to Integrity was \$4,196. Post Office mailing was 1,045.

TWCM Owner Billables (amounts owed by owners to their project) as of July 31, 2021, was \$198,810, with very little change from prior month.

TWCM Assessments (Coupon) owed as of July 31, 2021, was \$143,715 slightly higher than the prior month.

The August 31, 2021, TWCM cash account balance was \$16,632.

There were no payments made in August from the TWCM Account due to a temporary trained staff shortage.

TWCM Owner Billables (amounts owed by owners to their project) as of August 31, 2021, was \$200,411 slightly higher than the prior month.

TWCM Assessments (Coupon) owed as of July 31, 2021, was \$144,949 slightly higher than the prior month.

- a. **Motion that the Mutual Funds Report has been reviewed by the Treasurer and a summary provided to all Directors:** The motion was made for the July 31<sup>st</sup>, 2021, and August 31<sup>st</sup>, 2021, Mutual Funds Report.  
**Moved, Seconded, Carried 8-0**
- b. **Motion that all Directors have reviewed their Project Specific Financials:** The motion was made for all Project Specific Financial Reports ending on August 31, 2021.  
**Moved, Seconded Carried 8-0**

**Building and Maintenance Committee**

Tom Lauck gave the following report on the last committee meeting:

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Third Walnut Creek Mutual Building Maintenance Committee October 7, 2021

The Third Walnut Creek Mutual Building Maintenance Committee discussed the following items at the meeting:

Jeane DeKolver, Project 23, requested an invitation to the committee meeting. Jeane has previously participated in these maintenance committee meetings prior to July 2020. The committee will request that Jeane be approved by the Board to join the committee.

The Board made a motion to incorporate Jeane DeKolver to the Building Maintenance Committee.

**Moved, Seconded, Carried 4 yes (McFarland, Warren, Park, Lauck) – 3 no (Rothman, Kaplan, Swearingen) – 1 abs (Waldroup)**

**1. Status of outstanding items from prior Committee meeting.**

- a. Review of Maintenance Policy 64.0.0 POWER SOURCES and impact of AB-684 Electric Vehicle Charging – under review by Tom Lauck
- b. Revision of Alteration Standards on Rossmoor website – Have not been able to connect with Bill Parsons on this issue.
- c. Proposed revision to Policy 54.0.0, Owner-Initiated Alterations – Enclosures.  
Committee decided that adding requirements for free-standing structures, such as pergolas, trellises or arbors to this enclosure policy was not appropriate. A separate policy is proposed. A draft policy is attached for Board review and comment. Committee requests that TWCM Board president inquire of other Mutuals whether they have any similar policy for free-standing structures.

The Board made a motion to approve the attached revision to policy 54.0.0.

**Moved, Seconded, Carried 8-0**

- d. Clayton Clark Maintenance Issues  
Clayton informed the committee that MOD is looking for additional carpenters to supplement the crew of 3 currently working on repairs. They are also looking for additional plumbing contractors.
- e. TWCM Survey of Structural Integrity and Seismic Performance of Occupied Buildings  
As a first step in this process the committee will identify 3-4 building types for solicitation of proposals for pricing of building evaluation reports by a structural engineering consultant. Based on the proposals the committee will report back to the Board the cost for this evaluation scope. If the Board authorizes these evaluations,

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the next step would then be the solicitation of a seismic retrofit design for these building types for pricing.

**2. New items for Maintenance Committee review**

a. Home Inspection Reports

The committee discussed requesting copies of home inspection reports, typically provided for home purchases, at the close of escrow on the property. The Alterations department would collect the reports at no cost and the building maintenance committee could review them for issues which are related to building maintenance. This data would identify the condition of the specific property as well as allow us to make certain assessments regarding surrounding properties.

The committee asks the Board if they see the merit in this data collection or take any exception to this proposal.

**Clayton Clark gave the following report:**

**For the month of October 2021**

**Project 23**

- ❖ Obtained bid for owners' group on SB 326 inspections from FWC. Discussed additional venting of rear decks to provide better access for inspections and better venting of decks.
- ❖ Owners group wants decks on 1129 AS inspected. Woodpeckers are causing most of the damage.
- ❖ Reviewing LED light program.
- ❖ Discussion of tile replacement as some are Mutuals and others are residents through alterations.
- ❖ Rear balcony concrete deck issues at 1125 AS and 1109 AS.

**Project 26**

- ❖ **Rehab near completion with ACE.**
- ❖ **Roof replacement work on the tile at 1501 Ptarmigan completed. Waiting on stucco curing and painting.**
- ❖ **Painting committee: selected colors for entire project as well as deck coating colors. Mailbox replacements being considered.**

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**Project 27**

- ❖ Pricing swale repairs behind 2316 Ptarmigan. Reviewing two options: repair damaged section or repair entire section as tree heaving other section. **Revising bid.**
- ❖ **Electrical panel replacement:**
  - **Work order issued to KR Electric to inspect panels in Entry 13 Ptarmigan, scheduling this month. Another contractor will do Entry 10 Ptarmigan.**
- ❖ **Entry 13 Pt 2021 rehab:**
  - **Rehab completed by ACE. Paint selected by owners and coordinating with painting contractor.**
- ❖ Trash bin work scheduled for this month for Entry 10 with design similar to M28 (across drive from P27). Bid out expansion of the trash enclosures but not cost effective for an additional 1 ft of space.
- ❖ **Signage at 1904 pt. under review to assist package delivery. No action to report.**

**Project 31**

- ❖ **Rehab completed.t completed by ACE, and Spectrum Painting.**
- ❖ **Paving issue at 2617 Pt due to tree roots.**
- ❖ **Completed sewer issue at 2621 Ptarmigan.**

**Project 32**

- ❖ Looking into retrofitting downspout-drainage with leaf orifice to avoid subdrain clogging issue.
- ❖ Resolving fallen stucco soffit corrective action at 2508 Saklan.
- ❖ Increasing parking in entry under discussion as landscaping will need to be removed to facilitate.

**Project 33**

- ❖ Pricing out metal gates due to trash company abuse. **No action to report.**
- ❖ **Working on entry address sign and orientation.**

**Project 34**

- ❖ **Paving of entry completed by Silicon Valley Paving.**

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**Project 35**

- ❖ Reviewing paving issue at 3100 TGR due to nearby redwood tree.
- ❖ Resolving two issues at 3109 TGR. **No action to report**

**Project 36**

- ❖ 2185 CC: Working on concrete price with unapproved tile alteration. **Agreed to protect concrete expansion joint and patch in concrete. Tile replacement will not be done.**
- ❖ **SB 326 inspections will be planned next year.**

**Project 37**

- ❖ **Paving completed by Black Diamond Paving for Entry 3 & 5 TCal, and Entry 3 Cactus Court.**
- ❖ **Pricing out contractor to do rehab in Entry 3 CC for consideration as MOD carpenters are behind schedule.**

**Project 38**

- ❖ **Leak at 839 Tcal inside wall of bathroom vent caused by old screw. MOD working on completions as asbestos is involved.**

**Project 42**

- ❖ **No action to report.**

**Project 44**

- ❖ **French drain construction underway at 3024 RP.**
- ❖ **Reviewing sunken paving in front of 3042 RP.**
- ❖ **Need to review building shutoffs with emergency coordinator.**

**Project 45**

- ❖ 3377 RP rehab completed. Painting and deck coating should be completed this month.
- ❖ GRF truck hit 3377 RP and working on repair quote as engineering plans have been received.
- ❖ Resolving resident billable item at 3386 RP. Mutual's asbestos construction is an issue on complete payment of the claim. **No action to report.**

**Project 49**

- ❖ Waiting on garage door delivery for 1780 SD.
- ❖ Moved elevator maintenance to reserves for 2022.
- ❖ Confirming termite inspections for 1766 SD for work in 2022.
- ❖ 1614 SD Trellis: Was removed several years ago but resident wants back. **No action to report.**

**Project 51**

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- ❖ **Investigating plywood floor issue at 4521 TGR.**
- ❖ **Developing plan for SB 326 inspections. (No action to report).**

**Project 53**

- ❖ Investigating options to developer installed hard-wired detectors. **No action to report.**
- ❖ **4348 TGR: resolving corrective action from resale at front deck.**
- ❖ **Erosion issue at 4372 TGR.**

**Project 54**

- ❖ **Working on sign repair in entry 5A.**
- ❖ **Waiting on garage door replacements in Entry 6 SD.**

**Project 64**

- ❖ P64 insulation on outdoor plumbing completed. Waiting on supply valve work to complete the insulation. **No action to report.**
- ❖ Silicon Valley Paving completed paving repair work in Entry 1 Saklan Indian

**General:**

1. Working on 2022 budgets.
2. Trying to hire an additional MOD carpenter.

**Landscape Committee**

Milford reported on the walk throughs in projects 38 and 64. He stated that the committee is focused on planting low water use and fire-resistant greenery. The committee is to meet with Rebecca Pollon to address the juniper issue, which is bigger than originally anticipated and to identify various other issues that need to be dealt with soon.

**Governing Documents Committee**

Steve Parks gave the following report:

- Last month the Committee forwarded a revision to the Bylaws to address changes in the number of Directors for Board discussion.
- This month the Committee is recommending a change to the TWCM Account. The Committee recommends the following:
  - Zero out the existing deposits by returning the funds back to the Projects/Mutuals.
  - Funds for shared invoices will be deposited into the TWCM Account from each project to cover their share of the expenditures prior to payment of the shared invoice. This could happen at least each month, or more frequently if needed.
  - This will leave no unallocated funds in the TWCM Account.

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Next month the Committee will be discussing Policy 45 and SB 908, relating to delinquent accounts

The committee agreed to present the proposed changes at the November Board meeting.

**Alteration Permit Application Review**

None.

**Communication Committee**

None

**Emergency Preparedness Committee**

Arylss Rothman reported that Rossmoor EPO and CERT banded together with USGS. The presentation was focused on how to survive an earthquake and was well attended. The entire presentation will be online for all Rossmoor residents. Arylss recommended to all entry coordinators to put a presentation together on what to do when an earthquake happens.

**Dispute Resolution Committee:**

No report.

**Solar Committee:**

The following report was submitted:

As we have previously discussed, the feasibility study did not produce the results we had hoped to achieve. Moving on from there, we have today three possible options:

1. Individual Solar Systems

Owners apply to put solar on their own roofs as they have done in the past. New applications are unlikely to be approved before the benefits of NEM2 expire because the system has to be installed and approved by PG&E before Dec 15.

2. Shared Solar System by multiple owners in a single building.

This is essentially the same as individual solar but with the ability to quickly lock-in the NEM2 tariff before the deadline and with 1 year to install thereafter and it requires no change to the Mutual's policies (the right to do this is granted by AB634).

All the owners in a building wishing to participate in a Shared Solar system contract with the same installer. The owners individually purchase the number of solar panels they individually need for their own energy requirements. When installed all the panels will be wired together and connected to one new electrical meter - the Generating Account.

a. The selected installer immediately prepares an Interconnect Agreement (ICA) with



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- PG&E. The ICA locks in the NEM2 tariff for the participating owners.
- b. The ICA is submitted before the NEM2 deadline, typically within 15 days of the contract being signed.
  - c. City and MOD approvals are not needed before submitting the ICA
  - d. The installer has 12 months from the ICA being signed to obtain all necessary City and MOD approvals and install the system.
  - e. The installer bills individual owners at the time of installation according to the terms in the contract.
  - f. After the system is installed, the generated solar power from all the solar panels is fed back to PG&E via the one meter on a Generating Account.
  - g. PG&E credits the individual participating owner accounts for the generated power. The total monthly credit is split by the owners in proportion to the number of panels installed by each owner.
  - h. Non-participating owners in this building will in future still be able to install solar on this building' s though the best solar space may have already been taken by the Shared Solar and other individual installations. However, such future owner will not qualify for the very favorable NEM2 rates - so it is unlikely that many such owners will want to install solar.
3. Shared Solar System alternative for owners in buildings with only one participant or with roofs not suitable for solar. This is the successful solution implemented by M48 several years ago. This does require changes to the Mutual' s policies. Both buildings must be in the same project or a contiguous Mutual 3 project.
- a. Owners wishing to participate in a Shared Solar system in a building other than their own must contract with the same installer chosen by that building' s participants. The contracts all must be signed at the same time (within a day or two)
  - b. The installer obtains the ICA in the same manner at the same time.
  - c. The panels purchased by the owner(s) from different buildings are installed on the Shared Solar building and connected to the Generating Account meter.
  - d. The credits for the energy generated are distributed to the various owners in exactly the same way as in #2.
  - e. The primary difference from #2 is that some of the roof space is now occupied by an

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owner who is not resident in the Shared Solar building. The question is what to do if, at some time in the future, another owner living in the Shared Solar building wants to install solar. There are at least three ways the policies can address the question:

- i. Require each Shared Solar system to leave at least enough space for one additional owner to place their own solar on the roof.
- ii. If no more space is available and if the regulations then allow new Shared Solar systems to be created, assign the future requestor space in a new Shared Solar system on a different building. (This is how Mutual 48 has successfully done Shared Solar for 5 years now through three generations of new Shared Solar systems).
- iii. If no more space is available and no new Shared Solar system can be created, require the participants in the existing Shared Solar system to sell a proportional number of their panels to the owner now wanting space on the roof at a fair price.

The Board asked the solar committee to draft a policy that applies to the suggestions above and amends the current policy.

**Moved, Seconded, Carried 7-1 abs (McFarland)**

**New Business:**

**2022 Calendars:**

The 2022 calendar was presented to the Board. Director McFarland advised of a couple changes that need to be made. After those changes have been made, the 2022 calendar can be submitted to the recreation department and posted to the Rossmoor website.

**TWCM Annual Budget Meeting:**

The TWCM annual budget meeting will be held on Wednesday, October 27, 2021, at 9am. This year the meeting will be via zoom and in-person.

**Committee Meeting Postings**

Arlyss reminded committee chairs if they would like their meeting published to residents, they need to contact the news department. Committee meetings legally do not need to be posted.

**Old Business:**

**P53 Disengagement:**

No update.

**Announcements**

TWCM annual budget meeting is scheduled for Wednesday, October 27, 2021, at 9am. Meeting will be held in person and via zoom. The next Regular Board Meeting will be held on November 8, 2021, at 9am via zoom.

**Adjournment to Executive Session**

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There being no further business, the Regular Meeting of the Board was adjourned at 11:07 am and the Board moved into executive session.

**Executive Session Summary**

The Board met in executive session to discuss confidential matters.

**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