

THIRD WALNUT CREEK MUTUAL

Regular Board Meeting Minutes

Monday, April 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),
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)

Staff Present:

Jeroen Wright, Director of Mutual Operations
Todd Arterburn, Chief Financial Officer
Clayton Clark, Sr. Building Maintenance Manager
Lucy Limon, Board Services Coordinator

3. Members' Forum

Members were afforded the opportunity to express their general concerns and make comments. The topic discussed was a previous noise complaint, hard surface flooring, recent elevator issues.

4. Approval of Meeting Minutes

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

- | | |
|------------------------------------|----------------|
| a. Regular Board Meeting Minutes | March 10, 2025 |
| b. Executive Board Meeting Minutes | March 10, 2025 |
| c. Ballot Count Meeting Minutes | March 12, 2025 |
| d. Executive Meeting Minutes | March 28, 2025 |

Tom Lauck made a motion, seconded by Nan Warren, to approve the aforementioned meeting minutes.

Moved, Seconded, Carried 9-0

5. President's Report

Tom Lauck gave the following report:

GRF discussed the required inspections of fire extinguishers on a monthly basis, which some Mutuals are self-performing with volunteer residents, while other Mutuals, like Third Walnut Creek Mutual, are using the services of MOD to perform these inspections. Monthly inspections are relatively simple and easily performed by volunteers. MOD is charging the Mutuals, using their services for inspections, a fee of \$6.50 per extinguisher, charged on a monthly basis.

THIRD WALNUT CREEK MUTUAL

Next GRF Public Safety Manager, Tom Cashion, made a “deep dive” into the services being provided by Securitas under their contract. A description of their services and statistics for the last 4 years were presented. Tom’s 42-slide presentation can be found on Rossmoor.com by typing “Public Safety” in the Rossmoor.com search bar, which will bring up a pdf labeled “2 27 25 Public Safety Presentation GRF Board” at the top of the middle column in the search results.

The next topic of discussion was the roll out of the NetSuite system. Again, I will let Todd provide his own update to the Board on this item later in this meeting.

After the GRF portion of the meeting the Mutual presidents discussed the impact of the phasing out of gas-powered water heaters and furnaces. While the State of California has set a deadline of 2030 for eliminating these gas-powered systems, the Bay Area Air Quality Management District (BAAQMD) has set a Bay Area deadline of December 31, 2026, for the end of sales or installations of gas-powered water heaters, and a deadline of December 31, 2028, for the end of sales or installations of gas furnaces. After those dates only electric appliances will be allowed.

One concern resulting from the elimination of these gas-powered systems is the increased demand for electrical services to power the replaced equipment. This conversion may require that the exterior electrical panels be upgraded, though that increased electrical demand may be offset by the improved efficiencies of electric powered appliances, lighting and other electric powered equipment within the building. It was recommended that GRF investigate the issue with one electrical consultant and provide recommendations to all the mutuals with respect to the capacity of the incoming service that should be provided.

Following this discussion the issue of fire mitigation was brought up. It was noted that several mutuals have undertaken the installation of fire-resistant materials in Zone 0 (0-5 feet) surrounding their buildings. Members may be interested in seeing installations already made in Mutuals 29, 55 and 70. In addition, GRF Landscape Manager, John Tawaststjerna, will be discussing these Zone 0 installations later in this meeting.

Insurance Task Force Meeting April 3, 2025

In addition to the Presidents’ Forum, I, along with two of our directors, Nan Warren and Mike Abell, attended a meeting of the Insurance Task Force, on April 3rd, with GRF and Gallagher, our insurance broker, to discuss Market Conditions for Property Insurance in the first quarter of 2025. Even with the significant losses in 2024, and the recent losses in the LA wildfires, pricing moderation in the commercial market are expected to continue for layered and shared programs with some seeing double digit rate decreases.

The outlook for 2025-2026 is showing improving conditions with the insurance market in better financial condition, alternate group purchasing programs that spread risk geographically, and increased underwriting capacity coming from existing or new market relationships. Gallagher is looking at establishing a Leisure World Property Insurance Program that would combine geographically diverse present and former Leisure World properties that could result in enhanced coverage and cost savings for each of the participating properties.

THIRD WALNUT CREEK MUTUAL

Gallagher also suggested that we could reduce our insurance costs by switching from a policy that renews on January 1st to one that renews on June 1st or July 1st. The logistics of making this renewal date transition workable need to be worked out. The cost of terminating the existing policy early or extending the end date from December 31, 2025 to mid-year 2026 have not been determined but are considered by all to be worth considering.

6. Secretary's Report

No report was given.

7. Treasurer's Report

No report was given.

- 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, reported that the Fire Wise Committee is still compiling a list of the most frequently asked questions from the January town hall. Once completed, the committee will provide detailed responses and post them on the Rossmoor website for community access.

Mr. Wright delivered a PowerPoint presentation on fire extinguisher safety, which included a detailed, step-by-step guide on how to perform a visual inspection of a fire extinguisher. Jeroen mentioned that he will forward the presentation to the Board.

Jeroen noted that the management contract continues to progress well, and the committee is making significant strides. The appendix for the Resales and Alterations department is nearly complete and is scheduled to be presented at the next committee meeting.

Todd Arterburn, CFO, provided an update on the financial reporting and new systems. He clarified that cash accounts are earning 4.09% interest, not 0.33% as previously thought. Financial statements for the first quarter will be released soon, and the regular monthly statements will be resuming next month.

A new SharePoint system is being implemented to provide board access to all their documents, including financial statements, tax returns, audits, and other important files.

John Tawaststjerna, Landscape Manager, and the Board discussed implementing fire safety measures in Zone 0, which is the area within 5 feet of buildings. John will provide rough cost estimates for implementing these changes across all buildings. The Board acknowledges that this will be a long-term project, potentially taking several years. They plan to have Terra Landscape conduct an inventory of buildings to determine specific needs and costs. The Board also recognizes the need to communicate these upcoming changes to residents, as some may be resistant to removing plants near their homes for privacy reasons.

THIRD WALNUT CREEK MUTUAL

Adrian Byram made a motion, Bill Leary seconded to use Lodi rock and dirt as Zone 0 standard for the future.

Moved, Seconded, Carried 9-0

9. Committee Reports

a. **Governing Documents Committee**

Florence McConnell gave the following report:

The Governing Documents Committee met on April 2, 2025. Attendees were Lu Lynn de Silva, Roxanne Stallings, Nan Warren, Bill Leary, Tom Lauck and Florence McConnell

1. Discussed Resolution for Policy 61 which was reviewed and approved by TWCM Legal Counsel. We recommend adoption by the Board and the Resolution be placed in Appendix C of the Governing Documents.

The Resolution gives the Board the power and authority to grant solar battery wall easements without the member vote which is required by TWCM Section 3.11 of the TWCM CC&Rs. The members application must otherwise comply with all permitting, safety and aesthetic requirements of Policy 61.

2. Recommended Policy 61 revisions based on comments received during the 28-day review and comment period. Policy 61 is ready for adoption by the Board.
 - a. 6.1.1(C) Replace ...Main Panels are owned by each “Project” rather than by the “Mutual”.
 - b. 61.2.2(3): Replace the language ...Section 3.11 of the TWCM CC&Rs effective October 14 2020 with “...Resolution adopted by the TWCM Board of Directors on April 14, 2025 (Members are directed to read Resolution to Policy 61 in Exhibit C of the Governing Documents)”.
 - c. 61.5 Revised last line to state “If the roof is pitched the panels shall be installed flush to the roof, if the roof is flat, then they may be installed on tilted racks.

Florence McConnell made a motion, Bill Leary seconded to adopt the proposed revisions to Policy 61 based on the comments received by the membership.

Moved, Seconded, Carried 9-0

3. Reviewed and Finalized Policy 64

Policy 64 is limited to Electrical Vehicle and Golf Cart Charging only. Exhibit A: Application to Permit Charging of Electric Vehicles and Golf Carts for common area carports using Mutual electricity has been included. These documents are ready for approval by the Board.

Florence McConnell made a motion, seconded by Nan Warren to approve Policy 64 as presented.

Moved, Seconded, Carried 9-0

THIRD WALNUT CREEK MUTUAL

4. The section on Sharing EV Stations was removed from Policy 64, currently under review, and will become a separate Policy 66.
5. The proposal to amend Article 5 Renting and Leasing of the TWCM CC&Rs was approved by a member vote. Policy 41 can now be adopted by the Board.

Florence McConnell made a motion, seconded by Nan Warren to adopt Policy 41 as presented.

Moved, Seconded, Carried 9-0

6. Distribution: To be mailed to members using instructions for each Form 4041 – mailed to those requesting mailing and emailed to those requesting email only. Obtain 3 bids for printing for comparison of costs.
7.
 - a. Policies adopted by the Board – 61.0 (Solar Battery, EVCS), 57.0 (Spas), 60.3 (Overloading Decks) and 41.1 (Rental) are to be sent to all residents within the next week as required by law.
 - b. Policy 64 is to be sent out to all residents a week following in a separate packet for the required 28-day comment and review period.

b. Building Maintenance Committee

The Board discussed recent elevator issues at 1824 Stanley Dollar, including multiple trapped residents. The main problem was identified as a melted cable connecting the circuit board to the control panel, which has since been replaced. MOD is working on several upgrades, including an enunciator system to alert residents when someone is stuck in the elevator, battery backups for power outages, and improvements to the top section of the elevator. They also addressed communication issues with the emergency call system, noting that calls go through an auto-attendant, which can cause delays.

Clayton Clark provided the following report:

For the month of April 2025

Project 23

- Work on 1129 AS guardrails by AMAC is about near completion as 21 guardrails were inspected and corrected. Price obtained to paint guardrails and new color selected.
- New toilet for womens RR has been requested.

Project 26

- AMAC is 90% completed at 1621 Ptarmigan guardrail work with one more change order remaining. Courtyard area will be inspected mid-month. Painting expected to start late April or Early May.
- Pool room leak repaired, along with carport storage room.
- Drainage work on Entry 8 Ptarmigan approved.
- Hot water leak repair at 1621 Pt underway as owner billable. MOD is assisting with neighbor concerns as repairs take place.

THIRD WALNUT CREEK MUTUAL

- Deck coating and painting estimate for 1805 pt.
- Obtaining solar panel pool heater proposal.
- Elevator phone line out, and service tag to Granite to repair.

Project 27

- New building electrical panel installed at 2304 Ptarmigan.

Project 31

- The concrete grinding was completed at 2721 Ptarmigan.
- Wood fence replacement under review due to firewise zone-zero concerns
- Solar installation and nearby alteration skylights under review.

Project 32

- No report.

Project 33

- 4028 TGR front area stained by Fleece to match nearby tile.

Project 34

- No action to report.

Project 35

- MOD working on wood fence at 3100 TGR
- Electrical work requiring Terra digging on short circuit near 3112 TGR, repaired.
- Paving lifting again at 3100 TGR due to redwood trees.
- Electrical light short circuit at stairs at Entry 1. Area redone last year due to tree.

Project 36

- Rehab of 3 buildings planned for 2025.
- Electrical panel inspections are going to take place this month.

Project 37.

- Electrical panel inspections are going to take place this month.
- Pricing roof repair under solar panel.

Project 38

- Director provided quote for panel inspections for District. Contractor breaking out quote for each Project area.

Project 42

- Vehicle accident impacting 622 and 626 TCal. Car insurance is reviewing.
- Owner leak restoration at 618 Tcal being reviewed by MOD.
- FWC reviewing cracked foundation reported by resale inspector.

Project 44

- 3142 RP work scheduling with owners.

THIRD WALNUT CREEK MUTUAL

- 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. No action to report.
- Water break at Entry 1 was repaired last month.

Project 45

- Entry 8 Rossmoor Parkway rehab:
 - Meeting with owner on alteration roof with owner at 3612 RP. No action to report
- MOD reviewing bids for Entry 8 RP paving, before submission to director as there are inconsistencies.
- Entry 7 rehab: Jim is assisting with paint colors.

Project 49

- Contract underway for pump station.
- Rehab of 1766 SD month by AC Enterprises, and under observation by FWC engineers.
 - Working on repairs near elevator of building to complete the rehab work.
- Contract awarded for work at 1752 Stanley Dollar due to sliding door leak
- Waiting on schedule for building panel breaker replacements by KR Electric.
- Elevator issue at 1824 SD resolved.

Project 51 A:

- No action to report.

Project 51 B:

- No action to report.

Project 54:

- No action to report

Project 64

- No action to report.

General

- Elevator alarm panel review underway for pricing of annual service. Last done 2021, As time permits. Cintas price is \$1300 each and trying to get other bids. Price obtained from new contractor for P49 who also cleared the alarm at 1766 SD with new battery. No action to report.
- Starting April, rehab will add fire preventive screening of attic and crawl space vents. A sample attic fire screening will be shown at Board Meeting.
- Elevators: Improvement will be made to audible alarms for owners needing assistance at Elevators.

c. Landscape Committee

Jerri McNair gave the following report:

Next Landscape Reps meeting is Wednesday, April 16 at 10 AM in Peacock Plaza.

At our last meeting, the Landscape Reps discussed questions about the process for Reps and residents to have landscape work initiated and completed. We were asked by Reps to identify the “Chain of

THIRD WALNUT CREEK MUTUAL

Command". Board member Harvey Baumel, Rep Joanie Engdahl and I are meeting every 2 weeks to establish the answers and to review how our contracts work for us.

The Reps would like to also take a look at the Planning Design priorities which were established 2 years ago. The Landscape Chairs are establishing a common letter and process that can be sent to residents when they interfere in the landscape. We are seeing a large number of homes where pots and rocks have been placed near the trunk leading to anaerobic soil, which is conducive to root rot. We need to begin addressing this issue. One of the issues we will need to address soon as he use synthetic turf.

Wed, April 16 Growing the urban Forest webinar sign up will be sent to you by email.

d. Electric Vehicle Charging Committee

No report was given.

e. Dispute Resolution:

No report was given.

f. Communications Committee

Lyman Shaffer reported that the landscape article was successfully distributed to members and received very positive feedback. The next article will focus on the Fire Wise plan. Additionally, it will include a reminder about the upcoming Board vacancies.

g. Alterations Committee

No report was made.

10. Old Business

a. Solicitation of Director Candidates through Rossmoor News:

The Board proposed scheduling a special meeting to discuss new ideas to fill the upcoming vacant seats.

b. Fire-Resistant Improvements for 2025: *Topic was tabled for the next meeting.*

11. New Business

a. Investment Actions:

No investment actions were taken this month.

12. Announcements: The next scheduled Regular Meeting of the Board of Directors will be on Monday, May 12, 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 12:34 p.m.

Executive Session Summary

The Board met in executive session from 9:00 a.m. to 9:30 a.m.:

1. Board Matters - Enforcement of CC&R's and Common Area Restrictions: The Board briefly discussed how they plan to address residents who are not in compliance with the governing documents.



THIRD WALNUT CREEK MUTUAL

2. Delinquent aged receivables and aging assessments.

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