

# THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD  
MONDAY, MARCH 13, 2017 AT 9:00 A.M.  
GATEWAY BOARD ROOM  
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

## **Call to Order**

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

## **Roll Call**

### **Directors Present:**

Gery Yearout, President XI  
Kathy Poling, Secretary III (10:17)  
Walt Braun, Director District XIII  
Jane Norbeck, Director District IV  
Jean Faszholz, Director District XII  
Carol Keating, Director District IX

Judy Bank, Vice President XV  
John McDonnell, Treasurer X  
Jack Case, Director District V  
Toby Dicker, Director District VIII  
Christine Monsen, Director District XIV  
Victor McPhun, Director District VII

### **Also Present:**

Mutual Operations staff was represented by Paul Donner, Mutual Operations Director; Rick Chakoff, Chief Financial Officer; Clayton Clark, Building Maintenance Manager; Will Kim, Board Services Coordinator; John Tastor of A.J. Gallagher; Melissa Ward of Hughes Gill Cochrane (HGCT).

## **Earthquake Insurance Presentation**

John Tastor of A.J. Gallagher Insurance presented a review of current earthquake insurance rates, availability, extent of coverage, how it applies, cost effectiveness, and concluded with a questions and answers portion.

## **Approval of Meeting Minutes**

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

Regular Meeting of the Board .....February 6, 2017  
Executive Session of the Board .....February 6, 2017

There being no corrections, the minutes were approved as presented.

Moved, Seconded, Carried 11-0

## **Members' Forum**

Residents were afforded the opportunity to express their general concerns and make comments. The following topics were expressed by Residents: Comcast survey, owner maintained gardens, and water usage.

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## **President's Report**

Vice President Bank presented the following topics that were discussed during the Presidents' Forum:

- Chris Preminger indicated there will soon be approval for reverse mortgages. Third Walnut Creek Mutual (TWCM) is split into projects with separate CC&Rs. Therefore, each project in TWCM will need to approve reverse mortgages.
- If Mutuals want to add documents they can link their own individual websites through the Rossmoor website.
- Mutuals were advised to consult their Attorney, if they want to start broadcasting their board meetings on television.

## **Secretary's Report**

No report was presented to the membership.

## **Treasurer's Report**

- The Third Walnut Creek Mutual maintains a checking account at City National Bank.
- The beginning balance as of 12/30/2016 was \$20,849.92
- The ending balance as of 01/31/2017 was \$20,424.97
- The Aging Report reflects amounts owed the projects for overdue coupon payments and late fees.
- The amount owed to all projects as of 1/31/2017 amounted to \$11,700.
- The Owner Billable Report reflects amounts owed all the projects for overdue payments that are billable to owners for work done to their manor not covered by the coupon.
- The amount owed to all projects as of 1/31/2017 was \$167,643.23

## **Budget and Finance Committee**

No report was presented to the membership.

## **Building and Maintenance Committee**

Due to a power outage, the committee did not have a formal meeting. Therefore, a report was not presented.

## **Landscape Committee**

If an after-hours irrigation leak is identified, Securitas will investigate the leak and notify MOD (Mutual Operations Division) if immediate repairs are necessary to stop the leak. Generally, a broken sprinkler head will shut off in approximately 10-minutes. Thus, Securitas would not notify MOD.

The Mutual is struggling with damage to lawns and landscaping caused by raccoons. Although MOD is implementing solutions (traps, spray, etc.), raccoons have proven difficult to combat.

## **Governing Documents Committee**

The Governing Documents Committee had a very brief discussion on the enforcement of policies.

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## **Alterations Review Committee**

Homeowner of Account No. 17779 corrected their noncompliant window alteration by installing new windows in accordance with current TWCM Architectural Standards.

## **Audit Committee**

The Annual Audit Meeting will be held on Tuesday, March 21<sup>st</sup> at 10 a.m. in the Gateway Board Room. The meeting is open to the entire membership.

## **Emergency Preparedness Committee**

The committee is looking into gas shut off valves that are not labeled and sealed stuck by paint. A committee member was able to get a representative from PG&E to attend the meeting. PG&E indicated they should have access to a list that can assist in labeling each gas shut off valve.

## **CC&R Revision Task Force**

Hughes Gill Cochrane Tinetti (HGCT) are in the process of reviewing the committees planned updates and will have a first draft available on April 1<sup>st</sup>. A committee member that is also an insurance attorney has volunteered their assistance in tackling concerns related to insurance.

## **Encroachment Issues: Owner Maintained Landscaping**

The board discussed the following issues with owner maintained landscaping encroachments throughout the Mutual:

- Owner maintained landscaping encroaching into the common area without 67% (2/3) approval of project owners granting exclusive use of common area and did not obtain prior approval from the board
- Application process for owner maintained landscaping henceforth

A motion was made to discontinue application procedure for new owner maintained landscaping henceforth.

Moved, Seconded, Carried 8-3, Directors Keating, Monsen, & Faszhholz voted No

A motion was made to allow the transfer of Board approved owner maintained landscaping that encroaches into the common area to the new owners at the time of resale/turnover.

Moved, Seconded, Denied 6-5-1, Directors Yearout, Braun, McDonnell, Bank, & Dicker voted No, Director Poling Abstained

## **Solar Energy Systems: Project 39**

The Project 39 ballot to prospectively approve the grant of exclusive use common area for the installation of solar panels on Common Area roofs will require eighty-eight (88) yes votes to pass. The ballots will be prepared and submitted to the membership on March 20, 2017. The ballot envelopes will be opened by the Inspector of Election at the open meeting that will be held on April 24, 2017 at 10:00 a.m. in Multipurpose Room No. 1, 1001 Golden Rain Rd.,

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### **Block Environmental**

The Board discussed the Building Maintenance Committee's desire to prepare and approve a protocol for addressing black mold. The fee to prepare a protocol through Block Environmental will be approximately \$1,050. Tabled, pending additional discussion and review by the Building Maintenance Committee.

A motion was made to establish and add language in the Alterations Permit Application on how to address the presence of mold or dry rot during an Alteration.

Moved, Seconded, Carried 12-0

### **Deductible Share Agreement**

To provide a course of funding for the deductible (up to and including \$100,000) for specified losses covered by the Commercial Property Insurance, a motion was made to approve an agreement to share the deductible amount under the commercial property coverage part of the blanket insurance policies, with fifteen not-for-profit mutual benefit corporations, effective January 1, 2017.

Moved, Seconded, Carried 12-0

### **CSS Trash Enclosure Cleaning**

The Board reviewed and discussed a maintenance contract with CSS for the cleaning of garbage enclosures at \$10 per enclosure. CSS found that an increase to what they charge per trash enclosure, per cleaning, to \$10.00 was necessary.

A motion was made to approve the contract with CSS for the cleaning of garbage enclosures at \$10 per enclosure.

Moved, Seconded, Carried 12-0

### **Standard No. 1021: Exterior Pipe Chase Installation**

Tabled, due to time constraints the matter will be discussed by the Board at the next meeting.

### **Garage Door & Structure Damage Procedure**

The Board reviewed and discussed repair procedures that address damage to garage doors and structures in the Mutual.

A motion was made to have garage door or structural damages in the Mutual repaired by MOD (Mutual Operations Division), the cost of replacement parts and labor will be billed to the responsible party, and damages caused by an unknown party will be repaired by MOD and billed to the appropriate project.

Moved, Seconded, Carried 12-0

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### **Resignation of Board Member: District IX (Project 45)**

The resignation of Director Carol Keating of District IX was announced to the membership. Ms. Keating was thanked for her dedication and service to the Mutual.

### **Appointment of Board Member: District IX (Project 45)**

A motion was made to appoint Arlyss Rothman to the Board of Directors as Director of District IX (Project 45), with a term of office that expires in 2019.

Moved, Seconded, Carried 12-0

### **Next Board Meeting**

The next meeting will be held on Monday, April 10, 2017 at 9:00 p.m., in the Gateway Board Room.

### **Adjournment**

There being no further business, the Regular Meeting of the Board was adjourned at approximately 11:34 a.m.

### **Secretary's Certificate**

I hereby certify that the foregoing is a true and correct copy of the approved minutes of the Board of Director's meeting.



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### **Assistant Secretary**

Third Walnut Creek Mutual

An Executive Session was held following the open session at 11:42 a.m. Topics included the following:

1. Lease Extension Request: Account No. 12811
2. Owner Billable Hearing: Account No. 15482
3. Late Fee Waiver Request: Account No. 13830
4. Late Fee Waiver Request: Account No. 19170
5. Late Fee Waiver Request: Account No. 14623
6. Late Fee Waiver Request: Account No. 3080
7. Homeowner Dispute Resolution: Account No. 13194
8. Disclosure of Potential Conflict of Interest
9. Legal Status Report
  - a. Account No. 14890

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- b. Account No. 12730
- c. Account No. 16677
- d. Account No. 17954

With no further business to discuss, the board adjourned the Executive Session at 1:20 p.m.