

THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD
MONDAY, APRIL 9, 2018 AT 9:00AM
BOARD ROOM, GATEWAY COMPLEX
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

Call to Order

President McDonnell called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual (TWCM) to order at 9:01AM.

Roll Call

Directors Present:

John McDonnell, President X	Christine Monsen, Director District XIV
*Gery Yearout, Vice President XI	Jack Case, Director District V
Judy Bank, Vice President XV	Claire Wolfe, Director District X
Hillery Trippe, Treasurer VII	Kay Barthold, Director District XIII
Arlyss Rothman, Secretary District IX	Ron Mucovich, Director District IV
Toby Dicker, Director District VIII	Jay Fischer, Director District III

*Gery Yearout was present by phone from 9:57am to 11:30am

Also Present: Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Financial Officer; Kelly Mattison, Board Services Coordinator; and Melissa Ward, Esq., Hughes Gill Cochrane Tinetti.

Approval of Meeting Minutes

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

Special Meeting of the Board.....February 27, 2018

A motion was made to approve the February 27, 2018 special meeting minutes as presented.

Moved, Seconded, Carried 11-0

Regular Meeting of the Board.....March 12, 2018

A motion was made to approve the March 12, 2018 regular meeting minutes as presented.

Moved, Seconded, Carried 11-0

Executive Session Meeting of the BoardMarch 12, 2018

A motion was made to approve the March 12, 2018 executive session meeting minutes as presented.

Moved, Seconded, Carried 11-0

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. The topic discussed in members' forum was the CC&Rs.

President's Report

A report was not presented.

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Secretary's Report

A report was not presented.

Treasurer's Report

Treasurer Trippe gave the following report:

Third Walnut Creek Mutual maintains a checking account a City National Bank.

The beginning balance as of 1/31/18 was \$32,129.30 and the ending balance as of 2/28/2018 was \$33,608.17. There are outstanding checks that have been issued on the account of \$14,846.91, bringing the adjusted balance to \$18,761.86. Major categories of expenses paid in February were \$6,282.59 for trash and waste services, \$8,752.35 for legal services and \$6,000 for audit expenses.

Third Walnut Creek Mutual monitors and collects amounts owed by owners to the project and the Mutual on an ongoing basis. Total outstanding owner billables are \$87,112.13 as of 2/28/18. Of this amount, \$62,555.10 has been owed for over 90 days. The delay in collection sometimes results from the fact that all the detail on expenses has not yet been assembled for submission to the owner. Sixteen percent, or \$14,228.9, has been owed for 30 days or less. Project directors receive a monthly report of owner billables for their project and can request that the board approve submission of specific owner accounts to a collection agency in cases where the owner has not paid.

The total outstanding amount for coupon related payments is \$31,493.87, of which 46% has been payable for 30 days or less.

Budget and Finance Committee Report

Treasurer Trippe announced that the next Budget and Finance committee meeting will be held on May 7th at 2PM in the Gateway Board Room.

Building and Maintenance Committee

Director Monsen reported on the March 23rd building maintenance committee meeting and the following topics were discussed: window frames and a presentation by Jim Hayes who recommends a new standard frame color of bronze because it blends better with most of the colors in the paint palates for TWCM; roofing cost increases and how directors should make sure to include the higher costs in their budgets and reserve reports; revisions to the solar policy to be consistent with new legislature which will be given to the Governing Documents Committee to develop the recommended changes; and discussions on the maintenance matrix whereas Walt Braun has generously stepped up to update the matrix after the Board has finalized the CC&Rs to be sent out to vote.

Landscape Committee

Steve Ormond's Landscape report for April 2018 was as follows:

Lawn Maintenance: Weekly mow schedule, alternating front and back edging every other

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week.

Entry Maintenance: Once a month routine maintenance. Ground cover trimming, shrub pruning, weed control. Fertilize all shrubs, and ground cover areas.

Tree Maintenance: Waraner Brothers will be maintaining trees in Project 33 & 34.

Landscape Rehabs: Our in-house crew will be working in projects 31, 32 and 27, for the month of April. Please contact me for your landscape rehab. walk-through. NOTE: We are trying to avoid replacing one and two plants here and there. I cannot turn on an irrigation station for a couple of plants. We are recommending doing this in the fall.

Irrigation: Please report any leaks, breaks, or adjustments needed to 988-7650, or email to workorder@rossmoor.com. If you know of areas that show signs of excess irrigation, notify Steve Ormond 925-988-7618.

Governing Documents Committee

Director Banks reported that the committee focused on the revision of the solar policy to conform with the new legislature at their last meeting. The committee discussed protecting the warranty on the roofs and clarified this section of the policy.

Alterations Permit Application Review Committee

Director Case reminded all Directors to double check each contractor's general liability expiration date to ensure it is not expired when reviewing the applications.

Audit Committee

Director Dicker reported that the Audit Committee will be meeting on April 10th at 9am to review the drafts with the CPAs.

Communication Committee

Director Rothman reported that there was a recent misprint of a date in a recent article that was published in the Rossmoor news and that the Communication Committee Chairperson (Ms. Rothman) will be assisting in the review of the articles before they are published.

Emergency Preparedness Committee

Director Rothman reported on entry coordinators. She has a list of entry coordinators for TWCM and is asking for help from other Directors to recruit more volunteers.

Old Business

a. **Bylaws and CC&Rs:** Director Banks made the following motion:

WHEREAS:

Two years ago, the TWCM Board recognized the serious problem of its projects having out of date CC&Rs that were not compliant with changes in California laws pertaining to HOAs and Condominium Developments;

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WHEREAS:

The Board took action to rectify the problem by hiring a law firm experienced in creating and restating governing documents for California HOAs and Condominium Developments and familiar with the organization of Rossmoor to create a single, unified set of CC&Rs for all members living in Third Walnut Creek Mutual.

WHEREAS:

To achieve this goal;

Member input was gathered by an initial task force composed of volunteers, including directors,

Four town hall meetings were held for over 1000 attendees and their questions and concerns collected and included in subsequent drafts documents,

Significant work was done in the Governing Documents and Policies and the Building Maintenance committees meetings with input from MOD Staff,

Numerous Board discussions and special Board meetings were held,

Member comments have continued to be acknowledged and discussed throughout.

THEREFORE:

As chair of the Governing Documents and Policies Committee coordinating this project for the Board, I move that the Board votes to approve that these governing documents, dated April 5, be sent to TWCM members for their vote of approval.

The Board discussed the motion and each Director was asked to comment on any areas of the document that they still have concerns with and whether or not they ready to recommend the draft for voting. After discussion the motion was called to question.

Moved, Seconded, Failed 5-7, Directors Monsen, Rothman, Fischer, Trippe, Mucovich, Wolfe, and Barthold voted No.

b. Policy 61 Owner-Initiated Alterations/Solar Energy Systems: Director Bank presented the Board with Policy 61 that was revised only to conform to the new legislature that took effect January 1, 2018. The original policy was written by Kathy Poling. The voting requirement has been removed and a requirement to notify each owner in the building where the panels are to be installed was added along with the liability coverage requirement. Director Bank confirmed with Counsel that the changes are an exception to the required 30-day comment requirement per Civil Code §4355 because it is a rule change that is required by law. A motion was made to adopt the revised Policy 61 and redistribute it to the Alterations Department and post it within the Policy Book available on Rossmoor.com.

Moved, Seconded, Carried 11-0

c. Policy 64 (Power Sources for Electric Automobiles) Charging Electric Vehicles,

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Low Speed Vehicles, Neighborhood Electric Vehicles, Golf Carts and Major Appliances in Garages and Carports Both Attached and Stand-Alone: Discussion on Policy 64 was tabled until the May 14th Board Meeting.

- d. **Code of Ethics Draft Policy:** A motion was made to develop a Code of Conduct and Ethics Policy for Directors and Committee Members.
Moved, Seconded, Carried 11-0

New Business

- a. **Estimate for Window Detail Drawings on All Stucco Buildings:** The Board discussed the need to develop a design detail for windows installed in stucco buildings. A motion was made to approve Chris Gilman for drafting the window design detail on a time and material basis not to exceed \$500.
Moved, Seconded, Carried 11-0

Next Board Meeting

The next Regular Meeting of the Board will be held on Monday, May 14, 2018 at 9:00 a.m. in the Board Room at Gateway.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 12:05 p.m. and the Board moved into Executive Session.

Executive Session Summary

An Executive Session was held following the regular meeting where the Board discussed legal 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.



Assistant Secretary

Third Walnut Creek Mutual