

THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD
MONDAY, SEPTEMBER 11, 2017 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 9:21AM.

Roll Call

Directors Present:

| | |
|--------------------------------------|---------------------------------------|
| John McDonnell, President X | Hillery Trippe, Director District VII |
| Gery Yearout, Vice President XI | Jack Case, Director District V |
| Judy Bank, Vice President XV | Toby Dicker, Director District VIII |
| Kathy Poling, Secretary III | Claire Wolfe, Director District XII |
| Christine Monsen, Treasurer XIV | Vacant, Director District IV |
| Arlyss Rothman, Director District IX | |

Director Absent:

Kay Barthold, Director District XIII

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

Approval of Meeting Minutes

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

Regular Meeting of the BoardJuly 10, 2017

A motion was made to approve the July 10, 2017 regular minutes as presented.

Moved, Seconded, Carried 7-2 with 1 abstain, Directors Wolfe and Rothman voted No, Director Trippe abstained.

Regular Meeting of the BoardAugust 14, 2017

A motion was made to approve the August 14, 2017 regular minutes with one addition to the building maintenance committee section.

Moved, Seconded, Carried 10-0

Executive Session Meeting of the BoardAugust 14, 2017

A motion was made to approve the August 14, 2017 executive session minutes with one addition of a word due to a typo.

Moved, Seconded, Carried 10-0

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. The following topics were expressed by residents: CC&Rs, Policy 56/Private Gardens, Alterations, Elections, and Legal Costs.

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President's Report

President McDonnell reported on the insurance presentation from the President's forum.

Secretary's Report

A report was not presented.

Treasurer's Report

Treasurer Monsen presented the following Treasurer's Report:

- The Third Walnut Creek Mutual maintains a checking account at City National Bank.
- The beginning balance as of 6/30/2017 was \$19,345.86.
- The ending balance as of 7/31/17 was \$18,761.86.
- The Aging Report reflects amounts owed the projects for overdue coupon payments and late fees.
- The amount owed to all projects as of 7/31/17 amounted to \$22,062.60; the majority (66.1%) is due to five accounts that total \$14,585.76. Last month (June 2017) the amount was \$16,291.28. Last year the amount was \$7,745.42 at the end of July 2016.
- The Owner Billable Report reflects amounts owed all the projects for overdue payments that are billable to owners for work done to their manor for work not covered by the coupon.
- The amount owed to all projects as of 6/30/17 was \$99,393.22; over half (57.5%) of the total is due from 6 accounts owing over \$5,000 that total \$52,247.80. Last month (June 2017) the amount was \$99,393.22. Last year the amount was \$50,308.88 at the end of July 2016.

Mr. Chakoff provided an update on the recent TWCM building fire and responded to questions. Director Trippe asked about the current fire insurance supplement for demolition and building upgrades and the fact that it is significantly less than the insured values. Mr. Chakoff said he would follow up.

Budget and Finance Committee

A report was not presented.

Building and Maintenance Committee

The following report was given in regard to the Building Maintenance Committee Meeting held on August 25, 2017:

1. All three Board members were in attendance, as well as two resident members of the Committee, in addition to Clayton Clark. One resident arrived late.
2. There were no comments from residents.
3. Clayton Clark provided the status of work in each project, and reported that in one project, three bids were received, but all were rejected. He discussed that in the case of a fire, the insurance includes next-day coverage, with replacements up to what was included in approved alterations. He mentioned that all soft stories have now been rebuilt.
4. Subcommittee Reports:
 - a) Architectural Standards - the subcommittee (Jack Case and Walt Braun) are

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reviewing all of the standards and then they will be brought to the Board for approval. The issue of solar tubes was raised, and the question was asked why a project vote is not required.

- b) Maintenance Standards - the subcommittee (Walt Braun and Joe Tracy, with additional volunteers Gerry Foott and Dale Harrington) are scheduled to meet soon to begin the review of the maintenance standards and then they will be brought to the Board for approval. The subcommittee will look at the appropriateness of the standards, how it relates to the Alterations Application, and concurrence with the matrix, once it is approved.
 - c) No action on the Alterations Application and the Contractor List (Jack Case, Walt Braun, Joe Tracy and new volunteer Milford Waldroup).
 - d) Hard surface flooring - Claire Wolfe and Walt Braun will be meeting with a vendor, and work on this issue.
5. Maintenance Matrix - The Committee discussed the latest draft matrix prepared by Walt Braun. It was a lively discussion. We reviewed the first of four pages.

Landscape Committee

The following report was given:

Lawn Maintenance: Weekly mow schedule, alternating front and back edging every other week. Fertilize with Sulphur coated urea.

Entry Maintenance: Once a month routine maintenance. Ground cover trimming, shrub pruning, and weed control.

Tree Maintenance: Waraner Brothers will be maintaining trees in Projects 42, 44, and 45.

Landscape Rehabs: Our in-house crew will be working in Projects 49 and 54 for the month of September. Directors to contact Steve Ormond for their upcoming landscape rehabilitation walk through.

Governing Documents Committee

Committee Chair, Vice President Banks gave the background on why the Mutual started the governing document update process. A frequently asked questions memo will be created for distribution. The following governing document educational meetings are scheduled as follows:

Tuesday, September 19, 2017 @ 10:00AM in the Donner Room at the Event Center

Monday, September 25, 2017 @ 2:00PM in the Club Room at Creekside

Wednesday, October 4, 2017 @ 6:00PM in the Fireside Room at Gateway

Saturday, October 7, 2017 @ 10:00AM in the Diablo Room at Hillside

Alterations Review Committee

Committee Chair, Director Case thanked the directors for their initial reviews and questions on the alteration applications. The applications are being processed in a timely manner.

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Audit Committee

A report was not presented.

Communication Committee

Committee Chair, Secretary Poling reported that the committee did their best to keep up with the changing schedule of the governing document educational meetings. Three articles were published this month.

Emergency Preparedness Committee

Committee Chair, Director Rothman reminded everyone that there is a Safety Fair scheduled from 9am to 1pm on September 23, 2017. Third Mutual committee representatives will be doing mini seminars on emergency preparedness. A learning picnic is being worked on for all entry coordinators.

Motion to Lien: Account No. 10834 & 10471:

A motion was made to file a lien on accounts 10834 and 10471.

Moved, Seconded, Carried 10-0

Appointment Changes for the Landscape Committee

A motion was made to approve the addition of owner Bill Claussen to the Landscape committee.

Moved, Seconded, Approved 10-0

| Directors: | Alt/ Permit | Audit | B&F | Bldg. Maint. | Comm. | Gov. Docs. | Landscape | Emer. Prep |
|------------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Judy Bank | X | X | | | | Chair | | |
| Kay Barthold | X | | X | | | | | |
| Jack Case | Chair | | | X | | | | |
| Toby Dicker | | Chair | | | | | | |
| Arylss Rothman | | | | | | | | Chair |
| John McDonnell | X | X | X | | | X | | |
| Hillery Trippe | | | | | | X | | |
| Christine Monsen | | | Chair | Chair | | | | |
| Kathy Poling | | | | | Chair | X | | |
| Claire Wolfe | | | | X | | | Chair | |
| Gery Yearout | | X | | | | X | | |
| | | | | | | | | |
| Members: | Alt/ Permit | Audit | B&F | Bldg. Maint. | Comm. | Gov. Docs. | Landscape | Emer. Prep |
| Paula Erickson | | | | | | | X | |
| Jean Faszholz | | | | | | | X | |
| Mark Forette | | | | | | | | X |
| Harris Greenberg | | | | | | | | X |

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|------------------|--|---|---|---|--|---|---|---|
| Doug Hipsley | | | | | | | | X |
| John Van Duinen | | | | | | | | X |
| Walt Braun | | | | X | | X | | |
| Joe Pehl | | X | X | | | | | |
| Stanley Stevens | | X | X | | | | | |
| Joe Tracy | | | | X | | | | |
| Floyd Yearout | | | | | | | X | |
| Dale Harrington | | | | X | | | | |
| Jerry Foott | | | | X | | | | |
| Milford Waldroup | | | | X | | | | |
| Bill Claussen | | | | | | | X | |

Electric Vehicle Follow Up

Vice President Yearout spoke about the Director's protocol for electric vehicle follow up and handed out an overview of policy 56.

Next Board Meeting

The next Regular Meeting of the Board will be held on Monday, October 9, 2017 at 9:00AM, in the Gateway Board Room.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 10:34AM and the Board moved into Executive Session.

Executive Session Summary

An Executive Session was held following the regular meeting. The Board discussed a foreclosure, lease extension request, fee waiver request, disciplinary hearing, and legal matters.

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.



Assistant Secretary

Third Walnut Creek Mutual