

THIRD WALNUT CREEK MUTUAL

REGULAR SESSION MEETING MINUTES OF THE BOARD
MONDAY, NOVEMBER 13, 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 9:02AM.

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 X
Kay Barthold, Director District XIII	Arlyss Rothman, Director District IX
Christine Mosen, Treasurer XIV	Vacant, Director District IV

Directors with asterisk (*) next to their name indicates that the Director was present by teleconference for the meeting.

Also Present: Mutual Operations staff was represented by Paul Donner, Director of Operations; Clayton Clark, Building Maintenance Manager; Kelly Mattison, Board Services Coordinator; Melissa Ward, Esq., Hughes Gill Cochrane Tinetti.

Appointment of Director to District IV

A motion was made to appoint Ron Mucovich to the vacant Director Seat of District IV which includes Project 26 and Project 35 and has a term ending in 2020.

Moved, Seconded, Carried 11-0

Approval of Meeting Minutes

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

Regular Meeting of the BoardOctober 9, 2017

A motion was made to approve the October 9, 2017 regular minutes as presented.

Moved, Seconded, Carried 9-0-3, Directors Mucovich, Rothman, and Mosen abstained

Executive Session Meeting of the BoardOctober 9, 2017

A motion was made to approve the October 9, 2017 executive session minutes as presented.

Moved, Seconded, Carried 9-0-3, Directors Mucovich, Rothman, and Mosen abstained

Special Meeting of the BoardOctober 24, 2017

A motion was made to approve the October 24, 2017 executive session minutes as presented.

Moved, Seconded, Carried 8-0-4, Directors Bank, Mosen, Mucovich, and Trippe abstained

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Special Budget Meeting of the Board.....October 25, 2017

A motion was made to approve the October 25, 2017 special budget meeting minutes as presented.

Moved, Seconded, Carried 8-0-4, Directors Bank, Rothman, Mucovich and Barthold abstained

Members' Forum

Residents were afforded the opportunity to express their general concerns and make comments. The topics discussed in members' forum included executive sessions of the Board, Billing Issues and Concerns, Recycle Posters, CC&Rs, Policy 56, and legal issues.

President's Report

President McDonnell reported that the following topics were discussed in the most recent President's Forum: energy saving assistance program, fire preparedness, Nixle sign ups, MOD financials, and identification memberships for renters. President McDonnell also discussed today's agenda and working towards the goals of the governing documents project. This topic is today's main focus and the hope is to have a final version that can be voted on January or February 2018.

Secretary's Report

A report was not presented.

Treasurer's Report

Treasurer Monsen provided the following report:

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

The beginning balance as of 8/31/2017 was \$18,761.86

The ending balance as of 9/29/2017 was \$18,807.65 (the deposits equal the check totals)

The Aging Report reflects amounts owed the projects for overdue coupon payments and late fees.

The amount owed to all projects as of 9/30/2017 amounted to \$18,483.00. This includes one account over \$7,000, and 2 accounts between \$1,000-2,000.

Last month (August 2017) the amount owed was \$19,365.39.

Last year the amount was \$5,950.80 at the end of September 2016.

The Owner Billable Report reflects the total amounts owed to all of 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 9/30/2017 was \$101,835.15, over half (53.5%) of the total is due from 2 accounts owing over \$10,000 that total \$54,500.02.

Last month (August 2017) the amount was \$86,815.28

Last year the amount was \$55,984.34 at the end of September 2016.

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Budget and Finance Committee

A report was not presented.

Building and Maintenance Committee

Director Monsen gave the following report on the October 27th Committee Meeting:

- I. Building Maintenance Committee (BMC) with 1 Director, 4 members, 1 resident.
- II. The meeting attendees introduced themselves and offered no initial comments.
- III. The BMC reviewed exhaustively the TWCM Maintenance/Repair/Replace/Matrix, for eventual submission to the Board and inclusion into the CC&Rs.

Note: It was the Committee's major position that the maintenance matrix be referenced in general and not in specific terms, because the BMC was of the opinion that it was easier to change the matrix in specific TWCM POLICY format than if it was combined in its complete detail in the TWCM CC&Rs.

a. The working copy of the Matrix, developed by Walt Braun, and included in this report, contains high-lighted items that needed further attention by the committee and the following points were discussed, and now are hereby submitted to the board for review and action:

1.) Alterations-patio/balcony, enclosure, owner installed. (CC&R para. 4.9, 6.4- project becomes responsible at first major rehab.)

a.) Action: need board decision. MOD not in agreement with Owner vs MOD matrix assignment.

2.) Electrical- CC&R 6.1 Project/MOD vs Owner responsibility.

a.) Action: need board decision. MOD not in agreement with Owner vs MOD matrix assignment.

3.) Ramps- permanent concrete ramps on common area, owner pays for initial installation. (CC&R para 6.1).

a.) Action: need board decision: Mutual repair/replace/maintain.

4.) Railings-permanent steel railings on common area, owner pays for installation. (CC&R para. 6.1).

a.) Action: need board agreement-Mutual repair/replace/maintain assignment to project.

5.) Stairmasters on common area. Owner pays for installation, repair, repair, maintenance. CC&R para. 6.3, 6/4.

a.) Action: need board decision: Owner has responsibility of all maintenance, repair, and replacement.

6.) Note at end of Matrix, states the following:

“Paragraph 6.1 and 6.3 are “catchall provisions” that may be construed as including many of the items above. Many of the specifics are noted in 4.1 thru 4.33. Highlighted items are not specifically found in the proposed set of CC&Rs and need to be addressed. There should be a paragraph that says: “the board may from time to time clarify or expand the obligations of the Mutual and the Owners by revising the appropriate TWCM policy.

Proposed language for para. 6.4 Owner Modifications:

a.) Owner is responsible for maintenance, repair, and replacement of approved alterations except as may be defined by the mutual.

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b.) As a condition of approval of any alteration request, the Mutual may impose restrictions as may be deemed necessary.

c.) Enclosing a patio or balcony presents a unique alteration case. In those instances, the project will assume responsibility for Repair/Replace/Maintenance of the structural components beginning with the first major rehab of the building.

Exclusive Use Common Area (EUCA) (CC&R para. 1.23)

The EUCA is defined in the CC&Rs; however, there is a need to expand the definition to include the following:

“a reasonable amount of space at the entrance to the condo to allow for the placement of furniture and potted plants. The Mutual in its sole discretion may place limits on the amount of space.”

IV. Hard surface Flooring: Walt Braun reported on sound test demo he performed in residence with new hard flooring samples vs carpet. The test results showed a considerable difference between carpet and the hard surface floor samples. More research work is needed to find hard surface flooring sound acceptable for upper floor surfaces.

V. Policy on BBQs: Policy discussed briefly, no changes were considered at this time.

VI. Alterations: Briefly discussed terminology revision on contractor's and owner's statements section of Alteration application. More work needed; continued.

VII. Smoke Detector Installation: MOD is compiling TWCM lists of completion manor by manor installation per BMC's request for same.

Landscape Committee

The following report was given:

Lawn Maintenance: Mowing will be once a month or as needed. Fertilize with urea.

Entry Maintenance: Winter Maintenance. Pre-emergent weed control, leaf clean-up, V-ditch and drain clean out.

Tree Maintenance: Waraner Brothers will be starting tree maintenance in projects 50, 55 & 54. Walkthroughs to be scheduled for project 53.

Landscape Rehabs: Our in-house crew will be working in project 53.

Irrigation: Please report any leaks, breaks, or adjustments to 988-7650, or email to workorder@rossmoor.com.

Governing Documents Committee

Committee Chair, Director Banks spoke on the carport/garage assignments and whether it is needed in the CC&Rs. It was reported that the committee meeting scheduled on 11/28/17 from 3:00-4:30 p.m. will be expanded to begin at 1 p.m. if a room is available.

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Alterations Permit Application Review Committee

Committee Chair, Director Case reported that the review process for alteration permits is going smoothly and thanked all the Directors for the rapid response on the review of the applications that come in daily.

Audit Committee

A report was not presented.

Communication Committee

A report was not presented.

Emergency Preparedness Committee

Committee Chair, Director Rothman reported that the committee is working to set up an entry coordinator meeting for how to use fire extinguishers and a Spring coordinator get together.

New Business

De-Certification of Election Results for District VIII

The Board discussed the de-certification of the District VIII election by the Inspector of Elections and how it will allow for another election of the district.

A motion was made to re-use the candidate statements, update the cover letter with the appropriate time lines, and authorize President McDonnell to finalize the drafts of the cover letter and the ballot after the Board has had the chance to provide comments on the drafts.

Moved, Seconded, Carried 12-0

A motion was made to appoint to the CPA firm Levy, Erlanger & Company as the Inspector of Elections for the District VIII re-election.

Moved, Seconded, Carried 11-1, Director Rothman voted no

Project 53 Approval for Transfer from Reserves to Operating

A motion was made to approve a transfer of \$10,000 from the Reserve Fund to the Operating Fund in Project 53 due to unanticipated project system failures and accidents in manors. The operating fund will then be able to sustain funding for repairs and urgent building maintenance work orders. The Reserve Fund will be reimbursed by the Operating Fund during the 2018 year.

Moved, Seconded, Carried 12-0

Private Gardens Ballot Status (Policy 56)

It was confirmed by the Mutual Board Services Coordinator that the ballots were mailed to all owners on Friday November 10, 2017.

Board of Directors' Roles

Director Rothman spoke on the Board of Director Roles and delegation. Some discussion was had by other Directors and no motions were made.

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Status Report of Maintenance Matrix and Communication to the Board on the Most Recent Version

The Board discussed if a reference to the maintenance matrix or the actual maintenance matrix should be included in the CC&R draft. It is an ongoing process at this time. No motions were made. Directors are to send any concerns to Director Monsen.

Discussion Regarding Governing Docs Project/CC&Rs

The Board of Directors discussed the governing documents project.

The following motion was made: to facilitate membership understanding, a redline version of the updated, proposed CC&Rs will be posted on the Rossmoor Third Mutual website for one month prior to the Board finalizing the document.

Moved, Seconded, Carried 12-0

Next Board Meeting

The next Regular Meeting of the Board will be held on Monday, December 11, 2017 at 9:00AM in the Board Room at Gateway.

Adjournment

There being no further business, the Regular Meeting of the Board was adjourned at 12:22 p.m. and the Board moved into Executive Session.

Executive Session Summary

An Executive Session was held following the regular meeting. The Board discussed legal matters and homeowner discipline matters including hearings.

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