

M I N U T E S
THIRD WALNUT CREEK MUTUAL
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, MARCH 9, 2015 AT 9:00 A.M.
BOARD ROOM, GATEWAY COMPLEX
1001 GOLDEN RAIN ROAD WALNUT CREEK, CA 94595

President Chuck Sanderson called the Regular Meeting of the Board of Directors of Third Walnut Creek Mutual to order at 9:00 a.m. on Monday, February 9, 2015.

Ms. Bank took the roll call.

PRESENT:

Charles Sanderson, President (VII)	Jack Case, Director, District V
Rob Rothway, Vice President (IX)	Doug Hipsley, Director, District X
Frank Anton, Treasurer (VIII)	Gery Yearout, Director, District XI
Judy Bank, Secretary (XV)	Jean Faszholz, Director, District XII
Ove Floystrup, Director District III	Walt Braun, Director, District XIII
Stanley Newman, Director, District IV	Mike Fleck, Director, District XIV

Mutual Operations staff was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, Chief Financial Officer; Clayton Clarke, TWCM Building Maintenance Manager; and Sharon Fees, Board Services Coordinator.

There were eleven additional mutual members present.

APPROVAL OF MINUTES: Chuck Sanderson asked for any additions or corrections to the following set of meeting minutes:

Regular Meeting of the Board.....February 9, 2015

With no corrections noted or made, the minutes to the above stated meetings stand approved.

MEMBERS' FORUM:

Judith Schumacher-Jennings, 870 Terra California Dr. #6: Ms. Schumacher-Jennings, a member of Solar Rossmoor, announced that there will be a field trip to the Ruth Bancroft Garden in Walnut Creek on April 9 to learn about draught tolerant plants. There will also be a field trip to the PG&E Energy Center in San Francisco on April 24 to learn about water savings.

PRESIDENT'S REPORT: Mr. Sanderson

Highlights of the Presidents' Forum include:

Emergency Preparedness: Chuck Sanderson expressed his concern and interest to TWCM Board Director and Chairperson of TWCM Emergency Preparedness Doug Hipsley and Public Safety Manager Dennis Bell about better communication to residents about what they should do AFTER a disaster happens, not just what preparations should be done before an event takes place.

TARRC: TARRC asked Mutuals to vote on the proposed restated Trust Agreement. Walt Braun moved to not accept the restated Trust Agreement as presented by TARRC. Judy Bank seconded the motion and it passed unanimously.

Angius & Terry: The law firm suggested that they meet with the Board quarterly in order to keep communications open.

SECRETARY'S REPORT: Ms. Bank

No report was given.

TREASURER'S REPORT: Mr. Anton

Frank Anton reported that Third Walnut Creek Mutual, overall, is in solid financial health.

The C-DARS program is now implemented throughout the Mutual; currently with approximately \$5 million invested. Anton reported that it remains underinvested by about \$3 million dollars which equals approximately \$3,000 in interest per annum.

COMMITTEE REPORTS:

BUDGET AND FINANCE: Mr. Anton

Two outstanding owner-billable receivables, one from Project 27 and one from Project 39, with high balances, will be sent to Contra Costa County Small Claims Court.

Coupon Receivables jumped by 54 percent from December 2014 to January 2015, some of this is due to the coupon increasing in the new year and homeowners forgetting to pay attention to the increased amount.

BUILDING MAINTENANCE: Mr. Braun

Walt Braun highlighted the following from the Building Maintenance Report:

Cost Reporting Subcommittee: Walt Braun advised that he had met with Chris Preminger and Clayton Clark to review his recommended cost codes for TWCM. All agreed to take some time to review the list and get back together to finalize the list of cost codes.

Electrical Inspections: Judy Bank and Clayton Clark reported on the results of a comprehensive electrical inspection program in her district. Some issues discovered were: some occurrences of incorrectly installed recessed lighting, some overheating circuit breakers, several overloaded electrical panels, and aging heating systems that require more power to produce heat. Braun strongly encouraged each Director to have this type of inspection performed throughout their Districts.

Clayton Clark distributed a more comprehensive building rehab schedule for 2015 to all of the Directors. Directors should contact Clark with any concerns regarding the schedule. Clark was thanked by Chuck Sanderson for his thoroughness and professionalism.

LANDSCAPE: Mrs. Faszholz

A Mutual-wide Landscape Meeting will be held on Thursday, April 9, beginning at 10 a.m. to be held in the Las Trampas Room at Hillside Clubhouse.

Terra Landscaping will provide a presentation demonstrating different lawn conversions that took place in Third Mutual.

Jean Faszholz reminded Directors to make the most of their MOD landscape days and have larger projects performed by the crews.

GOVERNING DOCUMENTS: Mr. Sanderson

Discussion will take place concerning the proposed policy amendments under New Business.

ALTERATION PERMIT REVIEW COMMITTEE: Mr. Case, Chair

Jack Case reminded Directors that Alteration Applications are not to leave the Mutuals' Board Office.

AUDIT COMMITTEE: Mr. Braun

Walt Braun reported that the Committee met with the auditors on March 5. The audit was conducted over a two-week period in February. The auditors were complimentary regarding the efforts of the GRF Accounting Department. The auditors are of the opinion that the procedures in place represent adequate financial controls and that staff are appropriately trained in those procedures. The Audit Committee will receive a copy of the Audited Financials on March 25. A meeting with the auditors will take place on

April 1. The audit package will be distributed to the Third Mutual membership on or before April 30.

COMMUNICATIONS COMMITTEE: Mrs. Yearout

No report was given.

EMERGENCY PREPAREDNESS: Mr. Hipsley, Chair

Rossmoor CERT meets monthly and all residents are welcome and encouraged to attend these meetings which are held at Creekside.

The TWCM Emergency Preparedness Committee (EPC) sponsors two meetings per year. The next seminar will take place on April 23. TWCM EPC is going to co-sponsor this event, along with several other emergency preparedness organizations that exist in Rossmoor. The topic will cover what to do to prepare for an earthquake and what should be done immediately following the occurrence of an earthquake.

NEW BUSINESS

Motions to lien: Frank Anton moved and Roth Rothway seconded to place lines on the following properties for the collection of unpaid owner-payable third-party billings and for one to be sent to Superior Court:

File No. 03-027-006 for the amount of \$2,012.52
File No. 03-038-020 for the amount of \$7,600.00
File No. 03-043-004 for the amount of \$5,715.11

The motion passed unanimously.

Frank Anton moved and Rob Rothway seconded to place liens on the following properties for collection for unpaid owner monthly assessments:

File No. 03-032-009
File No. 03-038-014

The motion passed unanimously.

Directors Meeting with Angius & Terry: Chuck Sanderson reported that Directors had a meaningful and productive meeting with Angius & Terry. Angius & Terry has scheduled a working luncheon for the TWCM Board of Directors to be held on Tuesday, April 28.

Presentations regarding Reserve Fund Enhancement Strategies: Gery Yearout and Doug Hipsley both made presentations regarding the current and improving health of

their respective Projects that were considered to be in a weakened financial state. (Project 40 and Project 44)

Director Resignation Announcement: Doug Hipsley announced his resignation to the Board of Directors and presented to the Board his recommendation for his replacement, John McDonnell.

Maintenance Standards: Walt Braun presented two new maintenance standards for TWCM: 1001 Electric Hot Water Heaters and 1013 Payment for Electric Bill in the Case of Hot Water Line Breaks in the Slab of a Manor.

After a few modifications were made, Mike Fleck moved and Jean Faszholz seconded that the Board adopt these maintenance standards for TWCM. The motion passed with one dissenting vote submitted by Rob Rothway.

More standards will be developed in the near future and all of the developed standards will be packaged together to act as a management tool for Directors and Staff. They will also be distributed to the membership once all standards are developed.

Solar discussion in relation to Counsel's comments: Chuck Sanderson asked the Board Directors to read over Counsel's comments regarding solar installations. Rob Rothway moved and Jack Case seconded to suspend all solar installation applications and approvals until the next regular meeting of the Board. The motion passed unanimously.

OLD BUSINESS

Review of Policy Update Mailer: Chuck Sanderson moved and Jack Case seconded to approve the draft policy amendments in order to distribute them to the membership for comment. The motion passed with dissenting votes submitted by Rob Rothway Mike Fleck, and Doug Hipsley.

Legal Seminar: The 2015 Legal Seminar for Board Directors will be held on March 24.

ADJOURNMENT

Having no further business the regular meeting recessed at 11:30 a.m. to an Executive Session.



Sharon Fees, Assistant Secretary
Third Walnut Creek Mutual