

M I N U T E S
THIRD WALNUT CREEK MUTUAL
REGULAR MEETING OF THE BOARD OF DIRECTORS
MONDAY, MAY 9, 2016 at 9:00 A.M.
GATEWAY BOARD ROOM
1001 GOLDEN RAIN RD., WALNUT CREEK, CA 94595

The Regular Meeting of Board of THIRD WALNUT CREEK MUTUAL was convened by President Gery Yearout at 9:00 a.m. on Monday, May 9, 2016 in the Gateway Board Room, 1001 Golden Rain Road, Walnut Creek, California.

Ms. Poling took the roll.

PRESENT:

Gery Yearout, President (XI)	Toby Dicker, Director District VIII
Judy Bank, Vice President (XV)	Jack Case, Director District V
Kathy Poling, Secretary (III)	Carol Keating, Director District IX
John McDonnell, Treasurer (X)	Jean Faszholtz, Director District X II
Jane Norbeck, Director District IV	Walt Braun, Director District XIII

EXCUSED:

Victor McPhun, Director District VI
Christine Monsen, Director District XIV

Staff was represented by Paul Donner, Director of Mutual Operations; Rick Chakoff, CFO; Clayton Clark, Building Maintenance Manager; and Sharon Fees, Board Services Coordinator.

There were twelve additional Mutual members present

President Yearout welcomed and thanked everyone for their attendance.

APPROVAL OF MINUTES

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

Regular Meeting of the Board.....April 11, 2016
Executive Session of the Board.....April 11, 2016

Hearing none, the minutes to the April 11, 2016 Regular Meeting of the Board and Executive Session of the Board stand approved.

MEMBERS FORUM

Duncan Carter, 4521 Terra Granada Drive #2A: Mr. Carter presented a list of questions and comments to the Board of Directors concerning the 2015 Audit Package that was distributed to the membership. It was requested that Mr. Carter send his list of questions and comments to the Board in writing.

Roxanne Stallings, 3478 Rossmoor Pkwy #3: Ms. Stallings asked to see documents that she believes homeowners have a right to review. She quoted Policy 19. She encouraged the Board to be transparent.

SPECIAL PRESENTATION

Special guest, Zer Iyer, Esq., of Angius & Terry, LLC, was invited by the Board of Directors to give a presentation of HOA Board Director duties and obligations. Iyer noted that she provides this presentation about once a year to most of her client Boards. After the presentation Iyer entertained questions from the Board Directors. She was thanked for her very thorough presentation and was then excused from the meeting.

REPORTS

PRESIDENT'S REPORT -- Gery Yearout

Gery Yearout reported on the following:

Golf Carts: GRF has agreed that there will be a golf registration process and that it will go through GRF via Securitas.

Co-occupancy: Co-occupancy registrations have experienced an uptick. This was a result of the Fitness Center tightening up its entrance requirements. Many who are requesting co-occupancy really don't live in Rossmoor, but want to use its amenities. GRF and the Mutuals are working on trying to prevent such registrations.

Stephanie Hayes, Esq. attended the Presidents' Forum and spoke with the Presidents about the co-occupancy and how it relates the Mutuals' governing documents.

SECRETARY'S REPORT -- Kathy Poling

No report was given.

TREASURER'S REPORT -- John McDonnell

John McDonnell explained to the assembled group that Third Mutual maintains a checking account at City National Bank. The checking account was originally funded by an assessment of all Projects at the creation of Third Walnut Creek Mutual. The balance is maintained by an amount equal to about \$5 per manor, per month. The checking account is used to pay TWCM expenses. The beginning balance of this account as of February 29 was \$18,761 and the ending balance as of March 31 was \$18,761.

The Aging Report reflects amounts owed the Projects for overdue coupon payments and late fees. The amount owed to all Projects as of March 31 was \$7,924; this down from \$14,903 as of February 29.

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 repairs not covered by the coupon. The amount owed to all Projects as of March 31 was \$67,150; this I'd own from \$83,946 as of February 29.

COMMITTEE REPORTS

Budget and Finance -- John McDonnell

No further report was given.

Building Maintenance -- Walt Braun

No report was given.

Landscaping -- Jean Faszholz

Jean Faszholz reported that the annual TWCM Landscape Meeting was well-attended with over 80 residents present. She said that staff made informative presentations and new Landscape Manager Rebecca Pollon was introduced to the assembled group. Retiring Landscape Manager Rich Perona was presented with a gift, a garden sun dial, from Third Mutual for his years of service and dedication. Everyone was treated to a reception in Perona's honor after the meeting.

Steve Ormond provided a report to the Board on upcoming landscape activities.

Some TWCM Directors are allowing dead shrubs to be replaced upon the request of a homeowner if the homeowner commits to keeping the shrub watered with grey water. Gery Yearout reminded the group that California is still experiencing a serious drought and that water conservation must still be a priority.

Paul Donner reported that the EBMUD 25 percent surcharge will be lifted, but that a seven percent increase in the regular rate will go into effect.

Governing Documents -- Judy Bank

[get from report]

Alterations -- Jack Case

No report was given.

Audit -- Walt Braun

No report was given.

Communications -- Kathy Poling

Poling reported that an article was recently published in the Rossmoor News. Jean Faszholz said that

an article covering the annual landscape meeting will appear in this week's edition of the Rossmoor News.

Emergency Preparedness -- Jane Norbeck

No report was given.

OLD BUSINESS

CC&R Update: The matter of engaging a law firm for the re-write will be discussed deliberated and decided upon under New Business.

Encroachment Update: A meeting with the attorney is in the planning stages. At this meeting legal counsel will be presented with a report of the types of encroachments and how many exist throughout the Mutual.

Owner-Billable Collection Process: No further report was provided.

Policy 59 Owner-Initiated Alterations, Hard-surfaced Flooring: this updated policy will be sent out with the other policies for the 30-day review.

NEW BUSINESS

Motions to Lien: There were no motions to lien.

Motion to accept legal counsel's proposal for CC&R re-write: Toby Dicker moved and Jean Faszholz seconded to accept the proposal as presented by legal counsel for the first phase of the CC&R re-write. The motion passed unanimously. The cost of this re-write will more than likely be spread across two or more budget cycles.

Approval of Drafts:

Amended Policy 61, Solar Energy Systems: Walt Braun moved and Jack Case seconded to accept the draft of amended Policy 61 as presented for distribution to the membership for the 30-day comment period. The motion passed by majority vote. Carol Keating abstained.

Newly drafted Policy 93, Use of Storage Containers (PODS): Jean Faszholz moved and Judy Bank seconded to accept the newly drafted Policy 93, Use of Storage Containers (PODS) with some minor editing, as presented. The motion passed my majority vote. Christine Monsen and Toby Dicker abstained from the vote; Walt Braun dissented.

Two meeting announcements:

An open meeting of the Board will take place on Wednesday, May 11 in the Club Room at Creekside beginning at 10 a.m. The sole topic of this meeting is for Board Directors to ask questions concerning the Helsing Report (Reserve Study). Walt Braun and Mutual Services Manager Chris Preminger will be hosting the meeting.

The annual meeting will take place on Tuesday, June 14 in the Fireside Room at Gateway beginning at 9 a.m.

ADJOURNMENT

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



Sharon Fees, Assistant Secretary
Third Walnut Creek Mutual

The Board met in Executive Session at 11:40 a.m. following adjournment of the open Board meeting to:

- Report on a settlement made with a homeowner
- A mediation date has been set to sort out an owner dispute
- Discuss possible litigation
- Mediation in a pending member dispute took place and dispute is ongoing
- Report on potential litigation matter
- Consider late fee waivers—concluded

Having no further business the executive session adjourned at 12:15 p.m.