

OPEN MEETING

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

Tuesday, May 24, 2016 – 9:30 AM.
Laguna Woods Village Community Center, 24351 El Toro Road

- MEMBERS PRESENT:** John Parker - Chair, JoAnn Di Lorenzo, Beth Perak, Margaret Klein, Joan Milliman, John Beckett, Richard Johnston, Richard Palmer, John Luebbe
- MEMBERS ABSENT:** Mike Comer, Judith Troutman (10:00 AM)
- OTHERS PRESENT:** Weiming Tao, Lenny Ross, Ming Lee Chang, Juanita Skillman, Rosemarie di Lorenzo Dickins, Jan LaBarge
- STAFF PRESENT:** Brad Hudson, Lori Moss, Betty Parker, Kim Taylor, Russ Ridgeway, Chuck Holland, Kurt Rahn, Guy West

Call to Order

John Parker, Chair, called the meeting to order at 9:30 AM and stated that a quorum was present.

Acknowledgement of Press

No Press in attendance.

Member Comments (*Items Not on the Agenda*)

There were no Member Comments at this time.

Chair's Remarks

Chair Parker provided an overview of the process that will take place during the meeting. Director Parker asked that the Board and Members use Boardroom etiquette and turn off cell phones.

ACTION ITEMS

The following actions were taken:

CH2 Renovation Phase II \$2,000,000

The GRF M&C Committee held a capital planning workshop on July 9, 2015. During the workshop, the Committee recommended that the 2016 Capital Plan include phase two of Clubhouse 2 Renovations (auxiliary buildings, pool deck, and shuffleboard courts).

Director Luebbe moved to rescind \$1,900,000 of the CH 2 Renovation Phase II Capital Plan. Director Milliman seconded the motion. Discussion ensued. By a vote of 9-0-0 the motion carried. It was noted that a spending limit of \$100,000 for this item will be used for a forensic architect to review CH 2 renovation plans and make

recommendations; and for staff to review and make recommendations on Pool 2 re-plastering.

Pickleball and Paddle Tennis Relocation \$1,000,000

In the 2015 Capital Plan, \$600,000 was reserved for the installation of new Paddle Tennis Courts within Gate 16. However, an increased scope is recommended including demolition of the four existing courts, additional pickleball courts, restrooms, storage, parking, lighting, shading, benches, and landscaping. This new facility is proposed on Parcel 3, northeast of the Community Center. There would be between 8 and 12 courts.

Director Beckett moved to rescind Pickleball and Paddle Tennis Relocation. Director diLorenzo seconded the motion. Discussion ensued. By a vote of 2-6-0 the motion failed.

Director Luebbe moved to rescind the three items below for a total of \$4,025, 000. Director Johnston seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried and the following items were rescinded:

Simulsat Antenna (\$225,000)

This funding for P16040 can be rescinded. The condition of the antenna remains stable and its performance has not deteriorated to the point that replacement is necessary at this time. It is recommended that the antenna be scheduled to be replaced in 2017.

Garden Center 3 (\$1,300,000)

This funding for P15018 can be rescinded. The Board would like to re-purpose these resources toward maximization of the usability of Garden Centers 1 and 2 prior to any consideration for the creation of a third garden center.

2016 M&C Spending Limit (\$2,500,000)

This funding for P16300 can be rescinded; project funding proposed in this report will replace the spending limit previously included in the 2016 Capital Plan.

Director Luebbe moved to approve the following eight items represented by the CEO as high priority technology initiatives. Director Perak seconded the motion. Discussion ensued. By a vote of 7-1-0 (Director Beckett opposed) the motion carried. Included in the recommendation was increased funding of \$200,000 for Board Room Technology, allowing for a more comprehensive solution.

Community Center Fitness Relocation \$370,000

This item proposes relocating the Fitness Center on the third floor of the Community Center to the first floor. Redwood Room A, Redwood Room B, Disaster Preparedness Room, and Recreation offices would be replaced by the new Fitness Center. This is an effort to minimize noise above offices and meeting rooms on the second floor. It also protects the building structure from excessive vibrations. Work required includes: demolition of existing walls to create an open area, installation of new flooring, installation of new restrooms, creating a dedicated front desk area, adding new electrical outlets, and moving equipment from the third floor to the new gym on the first floor.

If the fitness center is not relocated to the first floor, the existing floor must be modified for noise mitigation. This work will include installation of new flooring and the removal, staging, and reinstallation of exercise equipment. The costs to perform this work would be funded from the same source as described above.

Network Infrastructure **\$354,000**

There is existing funding of \$159,000 included in the 2016 Capital Plan for network infrastructure, which is insufficient to complete this project. The entire network infrastructure at Laguna Woods Village is inadequate for the needs of today's business applications. The introduction of Microsoft Dynamics AX and the ShoreTel Voice over IP Phone System has increased demand and put a severe drain on network resources impacting all Resident Services systems. Significant slowdowns are inhibiting the ability for staff to provide a high quality experience to our residents. With the upcoming Gate 5 & 6 project, the voice, data, video and replication needs from the additional equipment will completely overburden the existing infrastructure as configured today. It is critical to upgrade the core network infrastructure immediately before the gates come online. An additional funding of \$195,000 is needed to complete this budget. Note, this funding does not include a replacement WIFI solution at the clubhouses.

TV Studio HD Conversion **\$200,000**

Since 2008, GRF has been offering channels with High Definition (HD) programming. Each year since, the Board has authorized funding for additional HD programming as part of the annual reserves plans. On February 5, 2013, the GRF Board of Directors authorized the transition to an all-digital cable system.

Call Center (20 Seat) **\$122,500**

In an effort to increase the productivity and efficiency of the Community's workforce, and to improve and enhance the level of customer service provided, it is recommended that a centralized call center be developed.

Residents will be able to call one phone number to speak with a live person for inquiries, request for service, and support. Types of calls will include but not limited to: plumbing, roofing, carpentry, pest control, appliances, electrical, irrigation, landscaping, billing disputes, reimbursements, broadband, passes (annual, business, caregiver, guest), gate clearance, resale's, room rentals, and security.

The proposal is to provide the funds needed to convert the current fitness center located on the third floor of the Community Center into a call center capable of supporting 20 customer service representatives.

Emergency Management System (EMS) Upgrades **\$80,000**

Over the past four 4 years, GRF has invested approximately \$500,000 in the current energy management system. The previous project failed to take into account the aging cabling and controllers at the HVAC units and thermostats. Although some buildings are currently using the EMS system as designed, many of the facilities are still being tuned manually. By completing the full installation of an EMS, clubhouse supervisors and maintenance personal will be able to remotely monitor and control the HVAC units from a centralized location. This will allow faster response times to the needs of our residents, and their comfort level while using the facilities. Furthermore, with an EMS, our staff can

plan, coordinate and schedule for events and take into consideration off peak hours to minimize energy consumption, thereby saving money. The recommended \$80,000 will allow for the following systems to be connected to our EMS system in 2016.

- Clubhouse 7: Replace legacy Teletrol EMS system with the Honeywell JACE Units
- Clubhouse 7: Replace legacy cabling and controllers at the HVAC units & thermostats
- Clubhouse 6: Replace legacy cabling and controllers at the HVAC units & thermostats

Document Imaging **\$76,600**

There are over 20 million pages and over two terabytes of information stored electronically on behalf of the Village in an outdated document Imaging system. The system is five versions behind the current release of OnBase and is hosted on seven year old hardware. This system is backed up regularly, as it is vital to the business continuity and historical context of the Village. The system is integrated into all the Resident Services systems and is creating data retrieval slowdowns in all areas of the company. This inhibits staff from providing the best customer experience possible. To protect this vital data and increase the level of performance of integrated systems, an upgrade to the Document Imaging system is imperative. In addition to the \$26,600 service agreement fees included in the annual operating budget, this project requires \$20,000 for professional services and \$30,000 for upgraded hardware and disk storage equipment.

Board Room Technology **\$200,000**

The board room is the main meeting place for community meetings. Having modernized tools to help manage discussions, record votes, and prioritize member comments, are important to the parliamentary proceedings of the Village. Giving board members the adequate tools they need for voting, better audio control, microphone control and limiting the time for member comments will greatly enhance the board meeting process. The improvements are estimated to cost \$75,000 and include:

- Electronic boardroom voting
- Boardroom speaker timer
- Boardroom microphones
- Additional monitor inputs
- Additional data inputs

Branding Materials, Website and Company Intranet **\$70,000**

Staff issued an RFP for a design and marketing contractor. The request included company branding work in order to develop new communication pieces to market to both of the Village target markets; existing residents and potential new residents. In order to expand resident services, it is imperative that new tools and resources be made available online to provide services 24/7. Now almost all business is done in person, or via a phone call. This creates an abnormally high call volume for the number of residents living in the Village. By taking our business office online, we want residents to be able to review account balances, manage their guest lists, pay for services online, reserve amenities, book tee times and submit and track service requests all from the convenience of their homes or smart phone. By modernizing our web presence, it not only helps increase our level of customer service offered to existing residents, but also helps attract *quality* future residents that have adapted to technology as a way of life. VMS staff needs a single point where all important

company information can be easily retrieved allowing for faster quality decision making and the ability to provide current information for board members in real time. By creating a company intranet, where both board members and staff members can share and collaborate, VMS will provide a centralized hub for absolute transparency of all projects and activities going on in the Village.

The following items were reviewed individually.

Pickleball and Paddle Tennis Relocation **\$1,000,000**

In the 2015 Capital Plan, \$600,000 was reserved for the installation of new Paddle Tennis Courts within Gate 16. However, an increased scope is recommended including demolition of the four existing courts, additional pickleball courts, restrooms, storage, parking, lighting, shading, benches, and landscaping. This new facility is proposed on Parcel 3, northeast of the Community Center. There would be between 8 and 12 courts.

Director Milliman moved to approve an additional \$400,000 for the relocation of Pickleball and Paddle Tennis courts. Director Perak seconded the motion. Discussion ensued. By a vote of 4-4-1 the motion failed. It was noted that existing funding of \$600,000 will remain in the capital plan for this project.

Performing Arts Center (PAC) **\$750,000**

There is \$150,000 existing funding approved by Resolution 90-15-07 for several replacements including; chairs, furniture lobby, window coverings, and wall treatment. An additional expenditure of \$100,000 is recommended to replace flooring in the lobby and dining rooms, update the box office, and add snack bar/beverage facilities. The remaining \$500,000 funding estimate will be used to update the facility inside the theater.

Director Beckett moved to approve an additional \$600,000 for the Performing Arts Center (PAC). Director diLorenzo seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried.

LED Lighting **\$600,000**

To take advantage of energy savings opportunities, GRF facility lighting would be upgraded to LED where cost effective and appropriately shielded. The scope includes interior and exterior lights at GRF-owned clubhouses, gatehouses, parking lots, streetlights, and recreation facilities.

Director Milliman moved to approve \$600,000 for LED lighting. Director diLorenzo seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried.

Garden Center 1 & 2 Renovation **\$400,000**

In an effort to improve the Village gardening experience and create more garden plot availability, Garden Centers 1 and 2 would be redefined, to ultimately reflect one plot per manor. The fencing and other structures in many of the existing plots do not meet City code. Staff is working with the City to develop engineered standards to assist gardeners to come into compliance. The proposal includes perimeter fencing where needed, hose bibs repair or replacement, welcome signs and plot signs, repair and construction of retaining walls, bulletin boards, and a lockable storage box for each plot. Other activities include:

installing new fencing with coniferous hedges along Moulton Parkway, installing two mulch bins, removing the shade house, installing restroom facilities, and restriping parking spaces.

Director diLorenzo moved to approve \$400,000 for Garden Center 1 & 2 Renovation. Director Beckett seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried.

ArborPro Software \$120,000

ArborPro is a custom designed Geographic Information Systems software program that will be used to collect a complete tree inventory for every tree within the Community. The system will also collect various pieces of data for each tree, such as GPS coordinates, address, species, trunk diameter, number of stems, condition, maintenance need, hardscape damage, utility line conflicts, and tree value. The system has the capability to be updated in real time with the use of tablets by field staff as work is performed. This database of information will be used regularly to refine maintenance practices, track and manage labor and resources, and periodically to provide statistical analysis to support tree related projects and committee inquiries. The system is also capable of being utilized in the same fashion by other departments to manage assets such as turf, shrubs, hardscapes, light fixtures, signage, irrigation valves, and backflow devices.

Director diLorenzo moved to approve \$120,000 for ArborPro Software. Director Milliman seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried.

CH7 Bridge Room Flooring \$70,000

Clubhouse 7 is in need of new flooring. The proposal is to install new carpet in the bridge room and incorporate other hard flooring in heavy traffic areas. The existing carpet is over ten years old.

Director Luebbe moved to approve up to \$70,000 for Bridge room flooring. Director Perak seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried. It was noted that the bridge room and bar will be carpeted; and the additional funding will be used to install flooring in the high traffic areas including entry into the kitchen.

CH5 Decentralized Fitness \$50,000

2015 Capital Request P15014 approved \$100,000 to provide a fitness facility at Clubhouse Five. The total amount is not needed as the room is 790 square feet in size, was previously a fitness facility, and has all the necessary electrical installed. Facility improvements include: card reader, fans, mirrors, and flooring. This fitness room will be unstaffed and accessed by a resident I.D. card reader on the main door. This facility will primarily be furnished with fitness equipment that is in storage (at Clubhouse Four).

Director Johnston moved to put a spending limit of \$50,000 for CH5 Decentralized Fitness. Director Beckett seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried.

CH1 Billiards Room Flooring **\$4,000**

Clubhouse 1 Billiards Room is in need of carpet. This is a heavy traffic room. The existing carpet is over ten years old and is showing signs of wear and tear.

Director Milliman moved to approve \$4,000 for CH1 Billiards Room Flooring. Director Johnston seconded the motion. Discussion ensued. By a vote of 8-0-0 the motion carried

Asphalt and Seal Coat **\$730,000**

Staff noted the need to fund the 2016 asphalt and seal coat program. A scope of work of approximately 200,000 square feet was used to develop a budgetary estimate of \$550,000 for 2016. Additionally, seal coat work was moved from operations to reserves, adding a budgetary figure of \$180,000.

Director diLorenzo moved to approve \$730,000 for the asphalt and seal coat program. Director Johnston seconded. Discussion ensued. By a vote of 7-1-0 (Director Beckett opposed) the motion carried.

Adjournment

There being no further business, the Chair adjourned the meeting at 12:15 PM.

JoAnn diLorenzo, Acting Secretary
Golden Rain Foundation